

# Departmental Offices

## Strategic Plans



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# National Appeals Division (NAD) Strategic Plan

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## Introduction .....

**T**he National Appeals Division (NAD) of the U. S. Department of Agriculture was established by the Secretary of Agriculture on October 20, 1994, by Secretary's Memorandum 1010-1, pursuant to the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P. L. 103-354, section 271 et seq. (October 13, 1994)). The Act consolidated the appellate functions and staffs of several USDA agencies to provide for independent hearings and reviews of adverse agency decisions. NAD's organizational structure was approved by the Secretary on May 14, 1996, and interim final regulations governing NAD appeals were published on December 29, 1995.

NAD is responsible for all administrative appeals arising from program activities of assigned agencies, as well as such other administrative appeals arising from decisions of agencies and offices of USDA as may be assigned by the Secretary. NAD appeals involve program decisions of the Farm Service Agency, Risk Management Agency, Natural Resources Conservation Service, Rural Business-Cooperative Service, Rural Housing Service, and Rural Utilities Service.

NAD currently has a staff of 132, including hearing and review officers and support personnel. NAD maintains its headquarters office in Alexandria, Virginia, and administers its appeals system through three regional offices located in Memphis, Tennessee; Indianapolis, Indiana; and Lakewood, Colorado. There are 78 hearing officers dispersed geographically throughout the Nation and operate out of leased office space or home offices.

NAD receives an average of 6,000 appeal requests per year. About 40 percent of these cases are withdrawn by the appellants, are filed late, or are not appealable to NAD. Most of the remaining cases involve an evidentiary hearing, although a small number are decided, at the request of the appellant, after a review of the record. Hearing officers issue more than 3,000 determinations each year. The appellant or the head of an agency may seek a Director's review of the hearing officers determination. Annually, appellants request about 850 reviews, while heads of agencies request about 240 reviews.

NAD has a single mission — to determine appeals arising from the program operations of assigned agencies. NAD has no control over its case volume; NAD can neither increase nor reduce the number of cases that come before it.

### Legislative Mandates

The Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P. L. 103-354).

### Partnership and Coordination

NAD relies heavily on the Department for administrative services to carry out NAD's mission. NAD relies on the Department to provide expertise and assistance with procurement, human resources, civil rights, and process modernization activities. NAD relies on the Office of General Counsel (OGC) to assure compliance with statutory requirements.

## Key External Factors .....

On-time performance can be affected by a variety of circumstances including for example: requests for hearing delays by parties, keeping the record open due to unprepared parties, and other factors.

Federal court rulings which apply to NAD proceedings could affect the need to expand the current training curricula and necessitate additional employees. The severity and frequency of natural disasters affect the caseload and may affect "on time" performance targets.

Continued increased transportation costs, particularly for air travel, could have a negative effect on cost-reduction efforts. Demand for face-to-face hearings and NAD's statutory requirement for conducting hearings in the state of residence or otherwise convenient location could minimize savings realized by conducting telephone hearings.

**Mission** ..... To conduct evidentiary administrative appeal hearings and reviews arising from program operations of assigned agencies.

## Goals ..... **Goal 1**

**Issue timely and accurate determinations that recognize the rights of program participants and promote the lawful operation of agency programs.**

This goal supports USDA Goals 1.1, Enhance the economic safety net for farmers and ranchers, 1.3, Provide access to capital and credit to enhance the ability of rural communities to develop, grow, and invest in projects to expand economic opportunities and improve the quality of life for farm and rural residents; and 3.1, Promote sustainable production of food and fiber products while maintaining a quality environment and strong natural resource base.

### ■ **Objective 1.1**

**Increase “on-time” performance target for adjudicating appeal cases.**

#### ***Time Frame for Completion***

Ongoing.

#### ***Strategies for Achieving the Objective***

- Monitor and track all cases to assure compliance with statutory and regulatory deadlines.

#### ***Performance Measures***

- Achieve 98 percent “on-time” compliance with statutory and regulatory requirements for adjudicating appeal cases.

#### ***1997 Baselines***

- Average time required to issue appeal determinations. (76.84 days)
- Average time required to issue appellant review determinations. (38 days)
- Average time required to issue agency review determinations. (16 days)
- Develop more accurate measurements for on-time performance.

### ■ **Objective 1.2**

**Provide determinations that are consistent with the laws and regulations of the assigned agencies.**

#### ***Time Frame for Completion***

Ongoing.

***Strategies for Achieving the Objective***

- Continue hearing officer training and provide additional decisional information on a timely basis.

***Performance Measures***

- Achieve a 90 percent performance target in the number of appeal cases upheld on review.

***1997 Baseline***

- Percent of hearing officer determinations upheld on review. (86%)

**■ Objective 1.3**

**Decrease the number of appeal determinations on which a review or reconsideration is requested.**

***Time Frame for Completion***

Ongoing.

***Strategies for Achieving the Objective***

- Continue hearing officer training and provide additional decisional information on a timely basis.

***Performance Measures***

- Achieve a 10% performance target decrease in the number of appeal determinations on which a review or reconsideration is requested.

***1997 Baselines***

- Percent of determinations for which appellant requests review. (29.6%)
- Percent of determinations for which agency requests review. (7.6%)
- Percent of review determinations for which reconsideration is requested. (4%)

**■ Objective 1.4**

**Assess the quality and customer satisfaction of NAD determinations each year.**

***Time Frame for Completion***

Ongoing.

***Strategies for Achieving the Objective***

- Create a method to assess customer satisfaction, and identify and implement changes prompted by such feedback.

***Performance Measures***

- Assure customers receive timely, well-reasoned determinations on their appeal cases.
- Improve customer satisfaction of the adjudication process.

## Management Initiatives .....

### **Target**

- Survey 300 customers to establish standards of customer service and to measure customer satisfaction. Conduct 100 quality assurance reviews each year to assess the quality of NAD determinations.

### **1997 Baselines**

- Number of quality assurance reviews completed. (36)

Increase professionalism, improve technology, enhance efficiency and reduce costs. These are key components of issuing timely and well-reasoned determinations in a cost-effective manner which support the Division's goal.

### ■ **Management Initiative 1**

**Attain a professional workforce, trained and recognized for excellence, working in an environment that attracts and retains the best personnel to ensure mission accomplishment.**

#### ***Time Frame for Completion***

Ongoing.

#### ***Strategies for Achieving the Management Initiative***

- Develop essential training for all personnel and use Individual Development Plans to provide a higher level of professionalism among employees.
- Retain the best personnel by identifying and rewarding employees who have achieved high performance standards.
- Provide continued training on EEO, Civil Rights, and Special Emphasis Programs.
- Comply with all USDA required training.

#### ***Performance Measures***

- Improve employee skills and professionalism.
- Eliminate supportable civil rights complaints.

#### ***Targets***

- Complete essential training for management support staff, hearing officers, and review officers.
- Develop and maintain an awards and recognition program that encourages and recognizes quality, innovation, and productivity of work product.
- Continuation of no supportable civil rights complaints.

#### ***1997 Baselines***

- Percent of hearing and review officers and support staff completing essential training. (15%)
- Percent of employees receiving recognition awards. (70%)
- Number of supportable civil rights complaints. (0)



## ■ Management Initiative 2

**Improve information technology to provide needed tools and other resources to employees, provide outputs required for tracking, reporting and assessment, and support connectivity and outreach to promote understanding of the NAD appeals process among interest groups and individuals.**

### ***Time Frame for Completion***

Ongoing.

### ***Strategies for Achieving the Management Initiative***

- Establish an effective data base to enable the tracking, processing, reporting, and statistical analysis of workload.
- Provide adequate computer technology to all NAD employees including access to case tracking and precedent systems, E-mail, and commercial reference sources.
- Inform prospective appellants of NAD's rules of procedure through as many means as possible, including USDA's Internet.

### ***Performance Measures***

- Improve efficiency and management control of NAD operations with technology.
- Improve customer access to NAD decisions.

### ***Targets***

- Design and implement data base for tracking appeal cases.
- Provide all employees with access to up-to-date, reliable computer and printing hardware and software including Local Area Network (LAN) and E-mail.
- Design and implement NAD home page as adjunct to USDA Internet presence.

### ***1997 Baselines***

- Number of staff members with LAN and E-mail. (54)
- Number of staff members with Internet access. (0)

## ■ Management Initiative 3

**Enhance efficiency and cost reduction, while maintaining productivity through the development and demonstration of new techniques, methods, and strategies in Division operations.**

### ***Time Frame for Completion***

Ongoing.

### ***Strategies for Achieving the Management Initiative***

- Identify and improve administrative, management and financial accountability controls by reducing identified weaknesses.
- Complete the development of an administrative handbook covering NAD activities.
- Reduce travel costs.
- Reduce the cost per appeal.

**Performance Measures**

- Reduce the risk of fraud, waste, abuse, and/or mismanagement.
- Enhance efficiency in adjudicating appeal cases.
- Improve NAD accountability of public expenditures.

**Targets**

- Reduce identified weaknesses by 10%.
- Develop and implement a management and financial accountability plan.
- Achieve a 10-percent reduction in travel costs.
- Develop baselines to determine cost per appeal.

**1997 Baselines**

- Travel dollars for FY 1997. (\$342,000)

## Linkage of Goals to Annual Performance Plan .....

NAD strategic plan includes one goal with numerous objectives and three management initiatives. NAD's goal is to issue timely, well-reasoned determinations that recognize the rights of program participants and promote the lawful operation of agency programs. The management initiatives could be considered elements of the goal because they are key components to issuing timely and well-reasoned determinations.

However, for purposes of measuring results and tracking dollars spent, the management initiatives have been established for strategic planning purposes. The Annual Performance Plan will measure the four objectives in the Strategic Plan as well as the three management initiatives contained in the Strategic Plan. Subsequent annual performance plans will be developed to address shortfalls in performance and to reflect the impact of reduced resources and fluctuations in workload due to external factors. We intend to hold employees accountable for complying with statutory timeframes, issuing quality administrative and adjudicative decisions, and meeting requirements as outlined in their performance elements and standards through use of NAD's Annual Performance Plan. Our goal is linked to budget line Program activity: National Appeals Division.

## Resources Needed .....

Staff level reductions reflected in the budget are in accordance with OMB and Department guidelines. The allocation of existing resources will be subject to careful, continuing evaluation and redeployment as the initial means to address Division priorities identified in the Annual Performance Plan. Develop and implement an appeals tracking system and a management information system. Expand access to LAN and E-mail and implement Internet access. Continued adoption of technological advancements and an emphasis on skill training will maximize the productivity of NAD employees. Resource increases or decreases will be linked directly to NAD's stated goal and objectives, and will be evaluated in the context of the impact on long-term objectives. Mandated statutory or judicial changes in NAD proceedings or an increased case load could require more resources in the future.

## Program Evaluation .....

NAD evaluated informal assessments received from appellants and agencies whose decisions may be appealable to NAD, and public comments received in response to draft rules of procedure published in the Federal Register to formulate the strategic plan. Also considered were assessments received by the agency appellate units that were consolidated to form NAD; those included audits and recommendations by the

Office of Inspector General (OIG), the General Accounting Office (GAO), and Congressional oversight.

Performance indicators and baselines have been established and will be used by NAD to evaluate program results. Both output and outcome indicators have been developed. Because Congress gave NAD a precise, narrow mission, it is unlikely that future performance indicators will change significantly. However, existing performance indicators may be refined or modified as indicated by experience.

In addition to annual performance measures, NAD will continue to monitor the effects and implications of its activities through quality assurance reviews, management and financial accountability control plans, customer surveys of appellants and agency officials. In addition, OIG audits, GAO reports, and informal feedback from assigned agency officials, appellants and their representatives, and interest groups will be considered. Evaluations of specific program elements will be conducted as needed.

NAD has scheduled the use of customer surveys to assess the level of customer satisfaction with the efficiency, fairness, and competence afforded by the appeals process. NAD has implemented quality assurance reviews to assure compliance with statutory and regulatory requirements. Information gathered from the surveys and reviews will be used for future evaluation to assure the intended objectives in the strategic plan are met.

## Role of External Entities .....

NAD developed its Government Performance Results Act goals and performance indicators based on two sources of data:

- Comments received following publication in the Federal Register of the proposed rule for NAD's Rules of Procedure (May 22, 1995), and the interim final rule (December 29, 1995).
- Background materials pertaining to NAD's legislative history.

Because NAD is a relatively new organization, limited analysis of NAD activities has been performed by governmental oversight agencies or public users. The plan was developed by Federal employees.



# Office of Budget and Program Analysis (OBPA) Strategic Plan



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## Introduction .....

**T**he Office of Budget and Program Analysis (OBPA) was established in June 1981. OBPA's predecessor organization was established on July 8, 1922, by Secretary's Memorandum No. 389, under the provisions of the Budget and Accounting Act of 1921, which designated that a Budget Officer was to have charge of the preparation of estimates and other appropriations for the Department. The agency's current major activities consist of coordinating the preparation of the Department's budget estimates, legislative reports and regulations, and providing selected program analysis. OBPA is one of several Department-level offices that provide centralized leadership, coordination, and support for the various administrative and policy functions of the Department, helping program agencies in their efforts to deliver service to all USDA customers. OBPA's key partners and stakeholders include the USDA policy staff, USDA agencies, the Office of Management and Budget (OMB), and selected committees of the Congress. Comments regarding draft versions of OBPA's strategic plan were received from the Senate Agriculture Committee, OMB, and USDA policy staff and agencies.

OBPA aids the Secretary and other Departmental and agency officials in making informed management decisions regarding the Department's programs and resources. OBPA provides centralized coordination and direction of the Department's budgetary functions including development, presentation, and administration of the budget; reviews program and legislative proposals for program and budget related implications; analyzes program and resource issues and alternatives; and prepares summaries of pertinent data to aid Departmental policy officials and agency program managers in making informed decisions. OBPA also provides Department-wide coordination for the presentation of budget-related matters to the committees of the Congress, the news media, and the public, as well as for the preparation, coordination, and processing of the USDA legislative program, legislative reports, and regulatory actions.

## Key External Factors .....

Many factors, external and beyond the control of OBPA, exist which could significantly affect the achievement of the goals and objectives in this strategic plan. Most importantly, OBPA depends heavily on working relationships with other organizations and individuals to accomplish its mission, including USDA agencies, policy officials, OMB, and Congress. Cooperation, support, and information from these entities is essential to the achievement of OBPA's goals and objectives.

## Mission .....

The mission of OBPA is to provide analyses and information to the Office of the Secretary and other policy officials to support informed decision making regarding the Department's programs and policies, budget, legislative proposals, and regulatory actions.

## Goals .....

### Goal 1

**Assist the Office of the Secretary and other policy officials in decision making and policy implementation by providing objective information and analyses regarding the Department's programs and policies.**

### ■ Objective 1.1

**Conduct policy and program analyses, and other reviews that provide timely, objective, and analytically sound information.**

#### *Time Frame for Completion*

Ongoing.

#### *Strategies for Achieving the Objective*

- Conduct reviews of current programs, proposed programs, organizational plans, and reorganization proposals.
- Conduct reviews of problem areas perceived to be impacting management efficiency.
- Develop reports, briefing papers, and issue statements for action by decision-making officials setting forth findings and recommendations.
- Provide analysis and documentation for special studies of selected issues and problems.
- Ensure agency-developed material requiring action by the Office of the Secretary is analytically sound and consistent with Administration policy.
- Monitor ongoing studies with significant program or policy implications.
- Provide analytical support and program analyses for major Departmental initiatives.
- Review, in a timely manner, correspondence prepared for Secretarial or sub-cabinet signature for accuracy and consistency with Departmental policy.
- Review, in a timely manner, Congressional testimony, Questions and Answers, and other hearing documents for accuracy and consistency with Departmental policy.

#### *Performance Measure*

- Value and usefulness of the information and analyses, as evidenced by its incorporation into the decision-making process and feedback from the Office of the Secretary.

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## Goal 2

**Ensure the Department's budget is consistent with policy decisions and that resources are allocated to agencies consistent with priorities and applicable laws.**

### ■ Objective 2.1

**Coordinate the preparation and presentation of a Department-wide budget and monitor the allocation of resources to the agencies.**

#### *Time Frame for Completion*

Ongoing.

#### *Strategies for Achieving the Objective*

- Develop and maintain the USDA Budget Manual, providing instructions and guidance for budget formulation and presentation.



- Provide comprehensive analyses of budget proposals and agency estimates.
- Develop alternatives and supporting data for use by policy officials in making budget decisions including reprogramming and reallocation of funding.
- Serve as liaison with the Executive Office of the President to justify and defend USDA's budget request.
- Prepare materials, including the USDA Budget Summary, for presentation of the budget to the Congress, news media, interest groups, and the public.
- Coordinate and prepare supporting justifications for budget requests to be presented to the House and Senate Appropriations Committees.
- Serve as liaison with the Appropriations Committees and their staffs for the purpose of scheduling hearings, reviewing transcripts, and answering questions.
- Provide direction and oversight of the allocation and use of funds and staff years.

#### ***Performance Measures***

- The USDA budget and its components are justified, consistent with policy direction, and submitted with the President's Budget.
- Due to the production of complete and concise explanatory notes, USDA programs and their funding are better understood by Department officials and Congressional staff, improving decision making regarding USDA programs.
- As a result of OBPA's monitoring of staff years, Departmental officials can make more informed staffing decisions to better manage programs and the delivery of services.

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## **Goal 3**

**Ensure the Department's legislative proposals and regulatory actions are analytically sound and consistent with Departmental and Administration policy.**

### **■ Objective 3.1**

**Provide appropriate oversight and analysis of legislative actions.**

#### ***Time Frame for Completion***

Ongoing.

#### ***Strategies for Achieving the Objective***

- Provide comprehensive analyses of the potential costs and policy aspects/implications of proposed legislation to assist in the formulation of the Department's views.
- Advise policy officials of the results of analysis and the status of preparation and review of legislative proposals and reports.
- Prepare the Department's Legislative Program providing a summary of each legislative item proposed for introduction during the next session of Congress and estimate the budget impact when applicable.
- Coordinate the clearance of legislative proposals and reports through the Department and OMB, including responding to inquiries, maintaining transmittal and clearance records, and notifying agencies of USDA policy-level decisions and OMB action.
- Develop and maintain Departmental guidance (DM 1260-1) governing the preparation, review, and clearance of the annual legislative program and legislative reports.

**Performance Measures**

- Legislative reports and proposals are supported by sound analyses and consistent with Departmental policy enabling the Administration and Congress to formulate more accurate, effective, and responsive legislation.

■ **Objective 3.2**

**Provide appropriate oversight and analysis of regulatory actions.**

**Time Frame for Completion**

Ongoing.

**Strategies for Achieving the Objective**

- Provide a uniform system of guidance and assistance for preparing analyses as required under E.O. 12886, Regulation Planning and Review.
- Ensure regulations are in compliance with DR 1512-1, Regulatory Decision Making Requirements.
- Advise policy officials on contemplated regulatory actions through the review of work plans.
- Coordinate and provide appropriate assistance in the preparation of the USDA portion of OMB's Regulatory Plan and the Semi-Annual Regulatory Agenda.
- Serve as USDA Government-wide contact on all regulatory, including the National Performance Review Regulatory Review Initiative, and Federal Register matters.
- Coordinate the clearance of regulations through USDA policy officials and OMB, including responding to inquiries, maintain transmittal and clearance records, and notifying agencies of policy decisions and OMB action.
- Coordinate and monitor agencies' progress in meeting the goals of the NPR initiative to review, reinvent, and eliminate Federal regulations.

**Performance Measures**

- Due to the Semiannual Regulatory Agenda, the public is informed about the rules USDA plans to publish and the changes affecting delivery of services and regulations.
- As a result of thorough work plan review from a programmatic and policy standpoint, agencies are guided in the development of rules and regulations consistent with Administration and Departmental policy.

## Management Initiatives .....

The achievement of the goals outlined in OBPA's strategic plan depends on our organizational infrastructure—our employees and our business processes. Because significant budget increases for the next few years are unlikely, OBPA, like most Government organizations, is searching for ways to do more with less. The management initiatives outlined below will help OBPA become a more efficient and effective organization.

## ■ Management Initiative 1

**Build a more productive and diverse workforce.**

### *Time Frame for Completion*

Ongoing.

### *Strategies for Achieving the Management Initiative*

- Invest resources in training and employee development.
- Update office automation skills of support staff.
- Ensure general information, decisions, and instructions are clearly communicated in a timely manner.
- Ensure all employees are treated with dignity and respect and provided equal employment opportunities.

### *Performance Measures*

- Percentage of employees who receive training.
- Number of EEO and discrimination complaints filed.
- A staff that reflects the general population of the Nation.
- Employee feedback.

## ■ Management Initiative 2

**Improve OBPA's information management systems.**

### *Time Frame for Completion*

Ongoing.

### *Strategies for Achieving the Management Initiative*

- Design and implement a project management system to record and monitor the status of budget materials.
- Design and implement a system for tracking staff-year usage to ensure compliance with staff-year limits.
- Upgrade and relocate the present computerized legislative tracking system from the Washington Service Center to OBPA.
- Design and implement a database management system to record and monitor actions and progress with regard to USDA regulatory activities and reform.
- Update computer applications.

### *Performance Measures*

- OBPA's information systems provide timely, reliable information to users.

## Linkage of Goals to Annual Performance Plan .....

An annual performance plan will be submitted using the performance measures cited for the objectives under each of the goals of this strategic plan. The annual performance goals will be identical to the goals in this strategic plan. Some of the annual performance goals will be supported by output-type performance indicators. Although the substance of the work changes from year to year, OBPA's role in the Department and its responsibilities remain the same. To evaluate its performance, OBPA will assess on an annual basis whether or not the goals and objectives set forth have been accomplished. This assessment will consist of an internal review of each measure

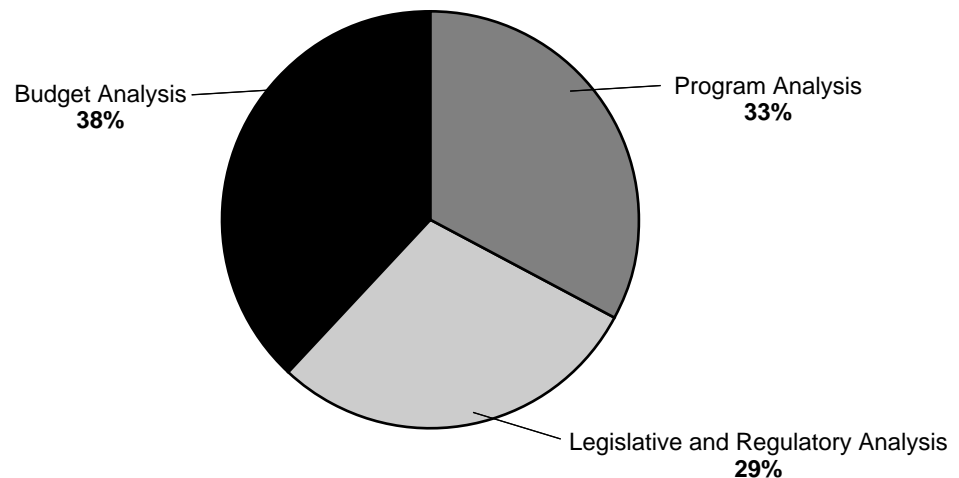
which will be based primarily on feedback from our partners and stakeholders and if possible, on objective and quantitative data.

OBPA has only one program activity, and thus only one appropriation for the Office of Budget and Program Analysis.

## Resources Needed .....

A highly skilled, diverse workforce is OBPA's most important resource. Pay costs account for over 90 percent of OBPA's budget. Although OBPA will reduce its resource needs as operating efficiencies are implemented, the net effect will be the need for moderate increases as pay costs and inflation rise. In FY 1997 33 percent of our resources were dedicated to implementation of Goal 1, 38 percent to Goal 2, and 29 percent to Goal 3.

### FY 1997 Budget Resource Allocations



## Program Evaluation .....

OBPA did not use any formal program evaluations to develop this plan, and does not plan to use any in the future to review plan results. OBPA's performance is dependent upon a variety of uncontrollable factors, including a great deal of constructive cooperation from its partners and stakeholders. OBPA is often involved in high-level policy decision making where impacts are multi-dimensional and judgements subjective. Although many tasks have activities which can be counted such as briefings, reports, memorandums, correspondence, etc., which are useful indicators of workload, it is not necessarily the number of such activities that measure performance, but rather their value and usefulness to decision-makers. OBPA plans to use internal assessments and informal feedback from our partners and stakeholders to evaluate the overall objectivity, quality, value and usefulness of the work done related to each of the goals identified in this plan. To the extent possible this evaluation will be based on tangible results and examples of performance or non- performance. In the Annual Performance Report, OBPA will provide a narrative description of sufficient precision to allow for an accurate, independent determination of OBPA's performance.

## Role of External Entities .....

This plan was developed exclusively by Federal employees.

# Office of Communications (OC) Strategic Plan

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## Introduction .....

**T**he Office of Communications (OC) coordinates communications with the American public about USDA programs, functions, and initiatives; disseminates both general and technical information to USDA customers and constituency groups who depend on the Department's services for their livelihood and/or their personal well-being; and provides leadership for internal communications within the Department to its employees.

OC organization consists of a Communications Coordination & Review Center; Public & Media Outreach Center; Video, Teleconference & Radio (VTR) Center; Design Center; Photography Center; Printing Center—plus a press secretary's staff, speech writing staff, and administrative staff. OC has a staff of 123, all located at USDA's headquarters in Washington, D.C. Of the total staff, 95 positions are funded through the appropriations process and 28 positions are funded through the Department's Working Capital Fund (all in the VTR and Design Centers). OC's FY 1997 budget included \$8.138 million of appropriated funds and \$3.845 million from the working capital fund for work performed by the VTR and Design Centers.

OC developed its mission and goal from news media, constituent groups, and other customer feedback. Adopting new communications technologies and standards for delivery of information to USDA's vast audiences is the result of customers suggesting or demanding information be delivered through newer, faster means of communications. Use of the Internet and its world wide web, television, radio, interactive displays, etc. for communications came about from customer demand. OC studied other supportive data which indicate trends and methods in communications that can be adopted in order to deliver USDA information more efficiently and effectively to either broader or more selective audiences.

OC is the USDA unit which leads and coordinates carrying out of USDA's original legislative mandate. When Congress wrote the law establishing the U.S. Department of Agriculture in 1862, it said the new USDA's "general designs and duties shall be to acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture in the most general and comprehensive sense of that word . . ." (U.S. Code Sec. 2201).

OC works closely with USDA agency communications, public affairs, and information staffs in coordinating and carrying out that legislative mandate, particularly when the efforts involve cross-cutting issues. Likewise, when issues involve other Federal departments and agencies, OC works with the other entities' public affairs or communications units to ensure unified messages are sent to the public. OC also maintains liaison with various constituent organizations, and State agency and land-grant university information offices to coordinate communications and to serve as the central point for issuing public information of nationwide interest developed by USDA—the "People's Department."

## Key External Factors .....

A key factor that could significantly affect OC's goal is the public's changing interest in issues and USDA's need to provide information about those issues. Another key factor affecting OC achieving its goals is Congressional action on USDA's (and OC's) budget. Reductions in the budget will require a reevaluation of information programs and force choices to be made in reducing or reorienting OC's communications goal and objectives.

## Mission .....

Provide leadership, coordination, expertise, and counsel for the development of consistent and timely communications strategies, products, and services that describe USDA initiatives, programs, and functions, so the widest scope of Americans have information that is helpful to their health and economic well-being.

## Goals.....

### Goal 1

**Create greater awareness among the American public about USDA's major initiatives and services.**

Increased knowledge of the general public (and specific publics, including USDA employees) about USDA initiatives, policies, and programs should result in more citizens—especially those in underserved communities and geographic areas—availing themselves of USDA services and information that will help them in their everyday lives.

#### ■ Objective 1.1

**Strengthen public knowledge and understanding of USDA's role in economic and trade opportunities for agricultural producers and other rural residents—a major goal of USDA.**

##### *Time Frame for Completion*

FY 2002.

##### *Strategies for Achieving the Objective*

- Develop a public information/education strategy that incorporates and expands on current communications activities. Establish a baseline level of the public's knowledge and understanding so that measurable results can be developed in various demographic groups. Expend more effort in communicating the reasons for USDA decisions and actions which impact economic and trade opportunities for all farmers and ranchers and other rural residents.

##### *Performance Measures*

- Through surveys and other feedback, majority of public appears to understand USDA's role in strengthening the economic safety net for farmers and ranchers, in expanding and maintaining global trade for agricultural products and effect agricultural exports have on U.S. balance of trade and total economy, in promoting an efficient, fair and competitive domestic marketplace, and in providing access to capital and credit to expand economic opportunities and develop sustainable and livable rural communities.

##### *Partnerships and Coordination*

- This objective will be coordinated with USDA agency communications staffs, State departments of agriculture, land-grant universities, various agricultural producer organizations, and rural cooperatives.



## ■ Objective 1.2

**Strengthen public knowledge and understanding about USDA's role in providing a safe, nutritious, accessible and affordable food supply for all Americans, and food for the hungry world-wide—a second major goal of USDA.**

### *Time Frame for Completion*

FY 2002.

### *Strategies for Achieving the Objective*

- Develop a public information/education strategy that incorporates and expands on current communications activities. Establish a baseline level of the public's knowledge and understanding so that measurable results can be developed in various demographic groups. Expend more effort in targeting communications about USDA decisions and actions which impact on food safety and nutrition for everyone, on food assistance for needy Americans (including those affected by natural disasters), on food recovery for businesses and charitable organizations, and on eliminating hunger and providing food security in the United States and around the world.

### *Performance Measures*

- Through surveys and other feedback, majority of public appears to understand USDA's science-based and regulatory role in reducing incidence of foodborne illness to the greatest extent feasible, in reducing hunger by assuring low-income households access to adequate supplies of nutritious food, in improving dietary practices and promoting nutrition and health, in expanding gleaning and other food recovery programs throughout the Nation, and in enhancing world food security and assistance in reduction of world hunger.

### *Partnerships and Coordination*

- This objective will be coordinated with USDA agency communications staffs, State welfare and health agency and land-grant university information offices, consumer advocacy organizations, and food industry organizations.

## ■ Objective 1.3

**Strengthen public knowledge and understanding of USDA's role in developing a healthy natural environment and ecosystem through sensible management of the Nation's natural resources for all Americans—a third major goal of USDA.**

### *Time Frame for Completion*

FY 2002.

### *Strategies for Achieving the Objective*

- Develop a public information/education strategy that incorporates and expands on current communications activities. Establish a baseline level of the public's knowledge and understanding so that measurable results can be developed in various demographic groups. Expend more effort in communicating the reasons for USDA decisions and actions which impact the quality of air, water and environment, and protection of fragile forest land and wilderness ecosystems.

**Performance Measures**

- Through surveys and other feedback, majority of public appears to understand USDA's role in promoting sustainable production of food, fiber, and forestry products while improving the environment, and USDA's role in promoting sustainable management of public lands, and in restoring critical forest and range land, wilderness, and aquatic ecosystems.

**Partnerships and Coordination**

- This objective will be coordinated with USDA agency communications staffs, State agricultural and environmental agency and land-grant university information offices, agricultural producer organizations, and environmental organizations.

**■ Objective 1.4**

**Strengthen USDA employees', and public's, knowledge and understanding of USDA's effective customer services and efficient program delivery to all citizens, especially to those in underserved communities and geographic areas—a major USDA management initiative.**

**Time Frame for Completion**

FY 2002.

**Strategies for Achieving the Objective**

- Develop an employee information/education strategy that incorporates and expands current internal communications activities to help USDA employees understand the Department's goals and policy priorities (especially cross-cutting issues) and be more familiar with USDA programs and services. Establish a baseline level of USDA employees' knowledge and understanding so that measurable results can be developed. Also, establish a baseline level of formerly underserved publics' knowledge and understanding so that measurable results can be developed for this specifically targeted audience. Expend more effort in communicating the reasons for USDA decisions and actions which impact effective, efficient delivery of USDA information and services to all people, especially those who live in underserved areas.

**Performance Measures**

- Through surveys and other feedback, nearly all USDA employees understand that every employee and customer of USDA must be treated fairly and equitably with dignity and respect, and the need for restructuring and streamlining of USDA's field organization, and that nearly all USDA employees understand and support unified USDA systems for information technology management and financial management. Likewise, a majority of formerly underserved publics understand that USDA treats its customers fairly and equitably with dignity and respect, and the need for restructuring and streamlining of USDA's field organization for more efficient service.

**Partnerships and Coordination**

- This objective will be coordinated with USDA's Office of Human Resources Management, Office of Civil Rights, Office of Chief Information Officer, Office of Chief Financial Officer, other departmental staff offices, and USDA agency communications staffs.

## Management Initiatives .....

### ■ Management Initiative 1

**Improve access to and dissemination of USDA information to news media, constituent groups, and individual customers through more effective and efficient communications technology, methods, and standards.**

This initiative supports the communications goal and objectives of expending more effort in communicating USDA information using most efficient and effective information technology.

#### ***Time Frame for Completion***

Annually through FY 2002.

#### ***Strategies for Achieving the Management Initiative***

- Upgrade databases written in outdated program language. Acquire new computers and software to handle digitized photographs, other visuals, video, and audio for Internet access. Improve presentation of digitized textual information for Internet access. Evaluate results of using latest, most efficient communications technology, methods, and standards in delivering USDA news and information to the news media, constituent groups, and other publics, and monitor and evaluate results of all USDA communications to the public about USDA programs and services.

#### ***Performance Measures***

- All obsolete information technology equipment and software replaced in order to maintain efficient delivery of information in text, audio, and visual formats.

#### ***Partnerships and Coordination***

- This management initiative will be coordinated with USDA's Office of Chief Information Officer and USDA communications and information technology offices.

### ■ Management Initiative 2

**Improve communications efforts to reach groups working with citizens in underserved communities and geographic areas.**

This initiative supports the communications goal and objectives, especially as they relate to reaching more people in underserved communities and geographic areas.

#### ***Time Frame for Completion***

FY 2001

#### ***Strategies for Achieving the Management Initiative***

- Use audio and video teleconferences, as well as public meetings, to communicate with representatives of minority groups who should be served by USDA programs and services.

#### ***Performance Measures***

- Greater number of minority group representatives are reached through these special communications efforts. Eventually, at least 1,000 are involved in one or more such conferences per year.

***Partnerships and Coordination***

- Coordinate with USDA's Office of Civil Rights and its civil rights outreach staff, and USDA communications staffs.

**■ Management Initiative 3**

**Integrate communications ingredients into USDA policy and program management discussions and decisions and then coordinate the communications element after defining audience of USDA action, especially in cross-mission initiatives.**

This initiative supports the communications goal and objectives by ensuring that communications becomes an integral part of the USDA decision-making process.

***Time Frame for Completion***

Reach optimum level by FY 1999.

***Strategies for Achieving the Management Initiative***

- Communicate rapidly and accurately key information obtained from Subcabinet and other policy meetings to all those who will be involved in developing communications plans. After defining USDA audiences and best communications methods for reaching each, initiate and develop communications plan for all USDA cross-cutting or interagency initiatives, showing each mission's and/or agency's information role. Involve all needed OC units and mission/agency communications staffs in carrying out the plans and in evaluating the messages, methods, and results.

***Performance Measures***

- All major policy/program decisions, especially on cross-cutting issues, include communications elements, and written communications plans developed at least 30 days prior to launch or announcement of every cross-mission-area initiative or program priority, and at least 15 days prior to launch of single mission initiatives or program priorities. A marked increase in uniform knowledge about USDA policies and initiatives, as measured in USDA employee, partner organization, and public surveys.

***Partnership and Coordination***

- USDA agency communications staffs, State cooperating agency and land-grant university information staffs, constituency organizations, and/or various communications organizations.

**■ Management Initiative 4**

**Develop an efficient and effective, results-oriented, public affairs community within USDA that provides high-quality communications products and services to USDA customers.**

This initiative supports the communications goal and objectives by focusing attention on results or outcomes of the communications process.

***Time Frame for Completion***

Reach optimum level by FY 2001.

### ***Strategies for Achieving the Management Initiative***

- Provide improved centralized operations for design and production, review, and distribution of USDA messages and information to its primary customers and the general public to ensure that special customers and the general public get understandable and relevant information about USDA programs and services. Reassess OC organization to see if it is an efficient and effective centralized communications workforce, and reorganize as necessary to meet external and internal USDA customer needs. OC/agency task group reviews and revises USDA regulations to ensure they reflect current technology, methods, standards, and organization. Review and update USDA Freedom of Information Act (FOIA) and Privacy Act (PA) regulations and guidelines to ensure they reflect latest amendments on electronic access to the laws, OMB and Justice Department guidelines, including new electronic FOIA amendment. Foster accountability, through Government Performance and Results Act process, for communications management performance throughout USDA.

### ***Performance Measures***

- USDA regulations and guidelines (including FOIA and PA) reviewed and revised. FOIA documents provided in electronic format and electronic “reading room” established. Most printed and electronic public information products for national dissemination reviewed by OC. All OC employees’ individual performance plans linked to OC’s annual performance plan. Mission areas and agency annual communications performance plans linked to OC plan.

### ***Partnerships and Coordination***

- This initiative will be coordinated with USDA communications staffs, information technology and FOIA/PA officers, land-grant university information staffs, State agricultural and other cooperative agency communications officers, professional communications organizations (such as the Agricultural Communicators in Education), constituent organizations, and other associations with interest in USDA information and services.

## **Linkage of Goals to Annual Performance Plan .....**

OC’s annual performance plans, prepared each fiscal year to accompany OC’s budget request, provide a direct link between outcomes, strategic approaches, and significant actions outlined in this strategic plan. The annual performance plans outline an annual increment of the actions called for in the strategic plan in order to achieve the general communications goal. For example, the annual performance plans call for surveying farm and rural-oriented groups to get feedback on that public segment’s understanding of USDA’s role in economic and trade opportunities for producers and rural residents; surveys of consumer and food/nutrition groups to provide feedback about public’s understanding of USDA’s role in providing a safe, nutritious, accessible, and affordable food supply for all Americans; feedback from environmental and educational groups to provide information about that public segment’s understanding of USDA’s role in developing a healthy natural environment and ecosystem through management of the Nation’s natural resources; and surveys of USDA employees to ensure they understand USDA’s role in enhancing customer service and efficient program delivery to all citizens.

Another key component of the annual performance plans is the development of baselines of public’s current understanding and knowledge of USDA mission, programs, and services, and then the measurement of improvement in that understanding and knowledge from the baselines.

The annual performance plans set annual performance goals for accomplishing specific actions in the strategic plan. They establish performance indicators that are used in annual performance reports to monitor whether the specific actions called for each year have been accomplished. The annual performance plans and reports will be used as basic management tools to direct the use of OC's resources to implement strategic approaches and achieve desired outcomes. Performance plans include estimated staff years and program costs required to achieve annual performance goals. Achieving annual performance goals, as determined from annual performance reports, will be the measure of accountability.

Program activities listed in the annual performance plan include use of the Internet and its world wide web to include more textual, visual and audio information which can be accessed by a broad public; television feeds via satellite and radio feeds via audio bridge, automatic telephone response service, and tape services; press releases and background materials directed at the news media; exhibits, publications, photographs, videos, and other visual images for the media and constituent groups; and speeches, news conferences, constituent briefings, and public meetings.

## Resources Needed .....

OC's staff ceiling has been reduced from 150 in FY 1993 to the current staff of 123. The reductions were accomplished through authorized personnel buyouts. No reduction in force action was necessary. However, the current staff level will have to be maintained if the goals and objectives of this strategic plan are expected to be achieved.

The appropriated budget authority and outlays have remained fairly constant at about \$8 million during the past 5 years. OC's largest single outlay from fiscal resources has been for staff salaries and benefits—85% of appropriated funding. Another 9% was obligated as common costs by the Department for information technology and other utilities, printing and reproduction, and other administrative services. The remaining 6% was obligated for OC travel expenses, contractual agreements, online news clipping services and subscriptions, repair and maintenance of equipment, supplies and materials, new equipment, television production, etc.

Improving access to and dissemination of USDA information using latest and most efficient communications technology, methods, and standards will require regular capital outlay in order to maintain, let alone expand, service to growing customer demands. Use of the Internet and the world wide web has become a primary medium for delivering information both to the public and within USDA. Improving communications with USDA employees needs a level of funding to provide the kinds of teleconferencing, Intranet, and other technological services to improve internal USDA communications.

Developing an efficient, effective, and results-oriented communications staff that provides high-quality service will demand commitment to updating and maintaining a modern communications organization that is responsive to public demands for Government information. Only minor realignment of staffing has taken place since the last major restructuring of OC. Therefore, it is necessary to assess the current OC structure to determine if it can meet the demands of the Results Act in accomplishing the strategic plan within budgeted resources. The plan calls for an assessment of the current organization in FY 1998, and for OC to reorganize into a more efficient, effective centralized communications workforce by FY 1999. The plan calls for reassessment of the subsequent new organization in FY 2001.

## Program Evaluation .....

Little information was available for evaluating past or current communications programs in development of the strategic plan. A USDA survey of farmers' and ranchers' sources of information provided some information. General feedback from news media and constituent groups was another source.

Results, impacts, and effects of OC communications policies, information programs, and services will be evaluated through the annual unit and individual performance plans. Customer surveys (internally and externally) will be conducted, to the extent resources allow, to ascertain if USDA information is being delivered to publics needing and wanting it in a timely and understandable manner, and if, in fact, the public has a greater awareness of USDA programs and services.

## Role of External Entities .....

No non-Federal entities, i.e., consultants or contractors, were used in the preparation of this strategic plan.





# Office of the Chief Economist (OCE) Strategic Plan

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## Introduction .....

**T**he principal function of the Office of the Chief Economist (OCE) is to provide economic analyses and information to policy officials. OCE serves as the focal point for the Nation's economic intelligence, analysis, and review related to domestic and international food and agricultural markets. OCE advises the Secretary of Agriculture (Secretary) on the economic consequences of alternative policy, program and legislative proposals, coordinates cross-mission activities such as sustainable development and agricultural labor. OCE provides guidance and review of regulatory risk assessments and cost-benefit analyses for consistency, objectivity, and the use of sound science and economics. OCE also coordinates and oversees clearance review of all commodity and aggregate agricultural data used to develop Department of Agriculture (USDA) outlook and situation information and works to improve the consistency, objectivity, and reliability of USDA's agricultural estimates and forecasts.

OCE is organized to directly serve the Office of Secretary, free from program implementation responsibilities of the Department's mission areas. OCE was created by the Secretary on October 20, 1994, under the authority of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, P.L. 103-354. OCE consists of the Chief Economist and Immediate Staff, the Office of Risk Assessment and Cost-Benefit Analysis (ORACBA), and the World Agricultural Outlook Board (WAOB).

OCE's ability to access and supply critical information depends on working closely with other USDA agencies. Among the agencies whose inputs and support OCE coordinates to produce information products and analyses are the Agricultural Marketing Service (AMS), Agricultural Research Service (ARS), Cooperative, State, Research, Education, and Extension Service (CSREES), Economic Research Service (ERS), Foreign Agricultural Service (FAS), Farm Service Agency (FSA), Forest Service (FS), National Agricultural Statistics Service (NASS), and Natural Resources Conservation Service (NRCS). OCE collaborates with these agencies and with the Food Safety and Inspection Service (FSIS) and the Animal and Plant Health Inspection Service (APHIS) in the conduct and review of risk assessments.

### Organizational Structure

OCE, whose operations and activities are directed by the Chief Economist, is comprised of three offices: the Chief Economists Immediate Office, the WAOB, and ORACBA. The Chief Economist's Immediate Office currently consists of 5 agricultural staff economists; two coordinating positions: Director, Sustainable Development, and Coordinator, Agricultural Labor Affairs; and two secretaries. For WAOB, a Chairperson provides leadership over a staff of twenty five, comprised predominantly of agricultural commodity analysts and meteorologists. ORACBA consists of a Director, three additional staff to support risk assessment and cost-benefit analysis, and a secretary. OCE operated on a \$4.4 million budget in FY 1997.

### Plan Development

This strategic plan defines OCE's mission and lays out long-term goals and objectives for its implementation. Development of the plan follows the guidelines set by the Office of Management and Budget (OMB) in Part 2 of Circular A-11, Preparation and Submission of Strategic Plans, issued in September 1995. To develop this plan, the Chief Economist appointed a working group which reviewed the following supportive data and analyses: 1) the 1994 USDA Reorganization Act, 2) the responsibilities delegated by the Secretary to OCE, 3) procedures and processes currently followed to meet these responsibilities, 4) various memoranda of the Secretary creating the WAOB, defining activities of the WAOB, and creating the Council on Sustainable Development and the Sustainable

Agriculture Working Group, 5) statutes defining USDA responsibilities in the area of agricultural labor, 6) statutes under which programs of the Department will operate over the next 5 years, including the Federal Agriculture Improvement and Reform Act of 1996, P.L. 104-127, 7) other agencies' strategic plans to foresee their compatibility with and impact on OCE's plan; and 8) recommendations and visions of OCE customers, clients, and employees on how to best meet OCE responsibilities. No external or formal program evaluations were conducted and used to develop this plan. Managers and staff met and reviewed mission, goals, and objectives in the context of their evaluation of current program performance. In addition, OCE surveyed employees to ascertain their views on the plan.

## Key External Factors .....

Achievement of the goals and objectives are contingent on a number of external factors. First, the plan is based on the current baseline budget projections of the Department. If appropriations differ substantially from these projections, achievement of the plan would be affected. Second, much OCE activity involves coordinating information and analysis from a variety of sources. To the extent that other agencies and sources alter their resource commitments to OCE activities, plan achievement would be affected. Third, OCE workload depends partially on legislative and government-wide regulatory activity over which OCE has no control. Fluctuations in activity in these areas would alter the distribution of resources across plan objectives. Fourth, allocation of OCE resources and achievement of the plan will also depend on developments in agricultural markets, such as weather disasters.

## Mission .....

The primary mission of OCE is to advise the Secretary of Agriculture on the economic prospects in agricultural markets and the economic implications of policies, programs and economic events affecting U.S. agriculture and rural communities; to ensure the public has consistent, objective and reliable agricultural forecasts; and to promote effective and efficient rules governing Departmental programs. This mission is carried out through the programs of the Immediate Office of the Chief Economist, WAOB, and ORACBA.

## Goals .....

### Goal 1

**Assure the Secretary of Agriculture receives timely, independent and objective economic advice and analysis on critical Departmental program and policy issues.**

#### ■ Objective 1.1

**Assure that the Office of the Secretary receives sufficient, accurate, reliable and timely briefings, analyses, and reviews to enable the understanding of market developments and the major economic effects of alternative policies and programs and to facilitate decision making.**

This OCE objective supports USDA objectives 1.1, 1.2, 1.3, 2.1, 2.2, 2.5, 3.1 and 3.2

#### ***Time Frame for Completion***

Continuous, as needed, and as requested by the Secretary.

***Strategies for Achieving the Objective***

- Provide policy and program analysis and advice to the Secretary. Major areas of analyses include international trade agreements, risk-sharing institutions, crop insurance, commodity and conservation programs, sustainable development, and agricultural labor.
- Brief the Secretary orally and in writing on a regular basis on the economic implications of market developments, legislation, and key events affecting agriculture and rural America.
- Assist the Secretary's speech writers in the development of speech text and the use of economic information.
- Review and clear Department regulatory analysis.
- Provide subcabinet officials with economic intelligence relevant to the administration of their program areas.
- Review Congressional testimony of Department and other officials, press releases, and correspondence for economic content.
- Prepare analyses when requested for Members of Congress, their staffs, and Agriculture and Appropriations Committee staffs on the effects of legislative proposals.

***Performance Measures***

- Feedback from the Office of the Secretary and others, including the subcabinet, indicating outputs of briefings, memos, information, analyses, and reviews are useful in keeping the Secretary informed and facilitate effective decisions, and that Departmental communications to the public are economically sound.

**■ Objective 1.2**

**OCE staff will work with agencies to develop policies and programs that cut across agencies and to ensure policies and programs are consistent with the Secretary's objectives.**

This OCE objective supports USDA objectives 3.1 and 3.2.

***Time Frame for Completion***

Continuous, as needed, and as requested by the Secretary and other cabinet departments.

***Strategies for Achieving the Objective***

- Lead and coordinate cross-mission area work on sustainable development, including chairing the USDA Council on Sustainable Development, and other issues as requested by the Secretary.
- Chair the Capper-Volstead Act Committee.
- Represent the Department in domestic and international arenas relating to sustainable development.
- Serve as USDA liaison within the executive branch on sustainable development and agricultural labor markets and regulations.

***Performance Measures***

- Degree of coordination of key activities and extent to which policies and programs developed reflect the objectives of the Secretary and, in particular, are effective in fostering sustainable development and resolving problems related to agricultural labor. This measure is accomplished as determined by feedback from the Office of the Secretary, the subcabinet, Department agencies and cooperating departments, particularly the Department of State and the Department of Labor.

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## Goal 2

Improve the U.S. agricultural economy by facilitating efficient price discovery in agricultural markets by coordinating the release of comprehensive, consistent, reliable, timely and objective USDA estimates, forecasts, and projections of commodity supply, demand, and prices.

### ■ Objective 2.1

Ensure that the information needs of customers and clients are met with respect to global commodity coverage, frequency of information release, and objectivity of data and analysis.

This OCE objective supports USDA objectives 1.2 and 2.1.

#### ***Time Frame for Completion***

Continuous.

#### ***Strategies for Achieving the Objective***

- Coordinate the development and release of consistent and accurate market-sensitive estimates and forecasts in the monthly *World Agricultural Supply and Demand Estimates (WASDE)* report.
- Ensure provision of a broad range of other situation and outlook products, such as briefings, written reports and market updates, special analyses, and long-range forecasts.
- Provide an annual comprehensive situation and outlook forum for agriculture that incorporates the viewpoints of and participation by analysts from USDA, academia, and the private sector.

#### ***Performance Measures***

- *WASDEs, Daily Highlights of Agricultural Developments*, market development reports, briefings, staff analyses, memoranda, crop condition reports, baseline projections, lock-up briefings, and their usefulness to customers and clients as indicated by the number of free e-mail and paid subscriptions to the *WASDE*, number of electronic hits to the OCE home pages, number of attendees at data users' conference, results of user survey, number of attendees at forum, and feedback from clients and customers.

### ■ Objective 2.2

Ensure accurate and timely monitoring and reporting of the impact of weather and other natural phenomena on crops and agricultural resources to facilitate decision-making by market participants and resource managers.

This OCE objective supports USDA objectives 1.2 and 2.5.

#### ***Time Frame for Completion***

Continuous.

***Strategies for Achieving the Objective***

- Issue weather data and assessments, especially early warning of weather impacts, to USDA clients and customers.
- Coordinate the monitoring and assessment of meteorological and climate information through the Joint Agricultural Weather Facility.
- Expand meteorological capabilities and databases by establishing a National Agricultural Weather Information System by setting up staff field offices to collect and disseminate agricultural weather data and drawing on resources from USDA agencies, the National Weather Service, National Climatic Data Center, and Regional Climate Centers.
- Coordinate USDA remote sensing activities.
- Monitor, collect and disseminate information on remote sensing issues, developments, and activities to relevant USDA agencies.
- Represent USDA on matters of remote sensing and communicate the Department's satellite imagery requirements to space agencies, federal data repositories and private industry.

***Performance Measures***

- Output of weekly briefings, monthly weather impact assessments, daily *Memorandum for the Secretary*, special analyses and weather-related information, and their value to users; progress in implementing a plan to unify access to meteorological data through the National Agricultural Weather Information System; and feedback received on the quality and usefulness of USDA Remote Sensing Coordination Committee activities and remote sensing assessments done for the executive branch.

**■ Objective 2.3**

**Enhance the ability of OCE staff to access, safeguard, share, and distribute information. Increase the ease and speed by which customers, and clients can access selected databases and other economic information that have been cleared for public release.**

This OCE objective supports USDA objective 1.2.

***Time Frame for Completion***

Continuous.

***Strategies for Achieving the Objective***

- Make the monthly *WASDE* and other reports available via the WAOB/OCE home page.
- Improve electronic access and information exchange between OCE staff and outside organizations.
- Identify and introduce new hardware and software to improve productivity and lower costs.
- Update software programs to ensure that market sensitive information is kept secure.
- Achieve further integration of OCE data bases and networking of OCE computers.

**Performance Measures**

- Number and quality of information products made available electronically; number of hits to OCE home pages; instances of reduced time or effort in accessing data bases and information products as indicated by staff and users; absence of security violations; and degree to which the efficiency of OCE computers are increased; and feedback from staff and users on quality of computer systems.

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**Goal 3**

**Ensure regulations affecting the public are based on sound, objective and appropriate risk assessments and economic analyses.**

**■ Objective 3.1**

**Review economically significant regulations primarily intended to affect human health, safety or the environment to ensure that they are based on appropriate risk assessments and economic analyses that can serve as a basis for selecting cost-effective management options for hazards managed by USDA.**

This OCE objective supports USDA objectives 1.2, 2.2, 3.1, and 3.2.

**Time Frame for Completion**

As determined by the Regulatory Work Plan.

**Strategies for Achieving the Objective**

- Review and approve agencies' risk assessments and cost-benefit analyses for supporting regulations.
- Establish and conduct peer review panels as necessary to ensure proper review.
- Represent USDA in executive branch development of risk analysis policies, procedures, and reports.

**Performance Measures**

- Regulatory analyses meet requirements of principles, standards and statutes; timeliness of review and clearance meets Department's requirements; and feedback from agencies, the subcabinet, OMB and the public indicate usefulness of review.

**■ Objective 3.2**

**Provide support for agencies required to conduct risk assessments and cost-benefit analyses by assuring trained and competent analysts are available to complete these analyses. Expand risk assessment research related to agricultural issues through interagency partnerships and collaboration with research institutions.**

This OCE objective supports USDA objectives 1.2, 2.2, 3.1, and 3.2.

**Time Frame for Completion**

As determined by the Regulatory Work Plan.



***Strategies for Achieving the Objective***

- Coordinate analytical resources for conducting risk assessments in USDA as needed.
- Develop and support USDA analytical capability by establishing technical work groups through training courses, special seminars and discussions.
- Develop information resources for support of USDA risk assessments.

***Performance Measures***

- Agencies contacted and informed of needs for risk assessment and cost-benefit analyses; information on available risk assessment resources in USDA or other government sources; information on risk assessment distributed throughout USDA through the bimonthly *ORACBA News* and monthly seminars (Risk Forum); timeliness in responding to groups requesting support; and feedback from agencies on the effectiveness of training and information programs.

## Management Initiatives .....

### ■ Management Initiative 1

**Assemble a competent and diverse workforce that works together effectively.**

This OCE management initiative supports USDA management initiative 1.

***Time Frame for Completion***

Continuous.

***Strategies for Achieving the Management Initiative***

- Ensure job vacancies are publicized so as to reach minority and women candidates.
- Hold supervisors accountable for hiring, training, retaining and promoting minority and women employees and furthering EEO goals.
- Ensure each employee receives annual civil rights training.
- Encourage and provide training opportunities for all staff to improve performance and advance.
- Provide staff with challenging work opportunities that utilize skills, increase satisfaction and enable advancement.
- Resolve staff concerns and complaints quickly and effectively.
- Increase intra-staff communications so all know projects of one another and know issues and priorities of the Secretary.

***Performance Measures***

- Increases in staff productivity; a staff that is treated fairly and with dignity; degree of progress in making staff as diverse as the general population; frequency, scope and quality of work and training opportunities provided; incidence of staff concerns and complaints and effectiveness with which they are resolved.

### ■ Management Initiative 2

**Provide a physical working environment that enables staff to efficiently fulfill their responsibilities.**

This OCE management initiative supports USDA management initiative 3.

***Time Frame for Completion***

Continuous.

***Strategies for Achieving the Management Initiative***

- Provide best computers and other equipment as possible.
- Provide a safe and secure work site.

***Performance Measures***

- Increases in staff productivity; staff evaluations of work site and facilities under control of OCE.

## Linkage of Goals to Annual Performance Plan .....

OCE has linked the general goals and objectives of the strategic plan to the performance plan, the fiscal-year blueprint which lays out what managers and staff are to accomplish annually. For example, strategic goal 1 and its two objectives, which relate to OCE's economic intelligence and policy coordination responsibilities, parallel performance plan goal 1 and its objectives. Having established this clear linkage in the performance, OCE then indicates how each of the three strategic goals are to be implemented and how progress towards achieving these goals is to be measured.

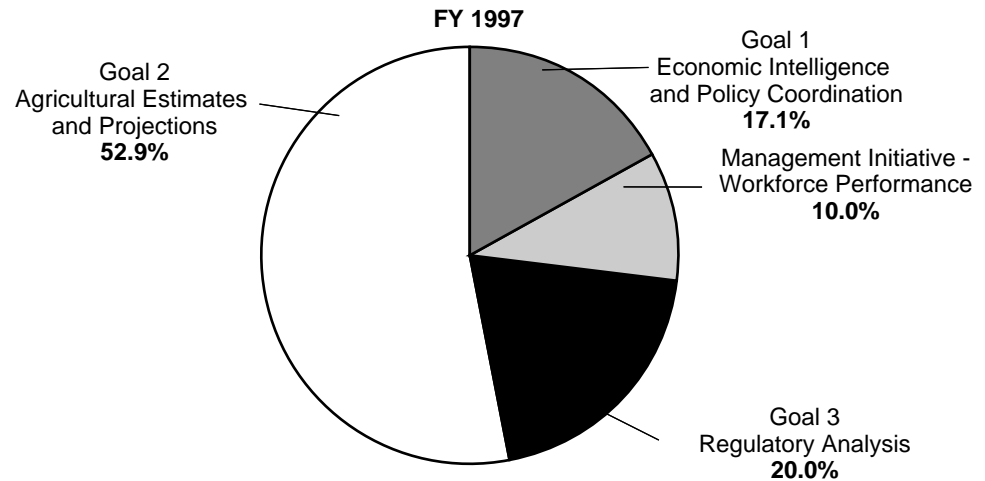
## Resources Needed .....

OCE's most important resource is its highly skilled workforce on which accomplishment of the strategic plan depends. Consistent with the Administration's effort to produce a balanced budget and the Department's streamlining plan, OCE's five-year strategic plan has assumed a modest and realistic reduction in available resources. OCE will make every effort to achieve its strategic plan as it streamlines its operations and increases the productivity of its staff. Completion of the plan will require redirecting OCE resources and would require additional budget authority to achieve a field office and certain equipment as part of the National Weather Information System. This funding would be determined in the context of USDA-wide priorities.

In the event that additional resources are available in the out years, top priority would be given to enable OCE's meteorological staff to more comprehensively assess the impact of weather and climate on crops by acquiring additional data from rural U.S. sites. Beneficiaries of such increased resources would be those OCE customers and clients who previously had been clients and customers of the National Weather Service, which recently eliminated or cut back specialized agricultural weather services. With further available resources, OCE would expand short-term commodity analysis and ORACBA activities. In the event of reduced resources, ORACBA activities would be more narrowly focused on regulatory review and other activities would be reduced, especially those related to building a long-term capacity for improved Departmental risk analysis. WAOB activities would also be reduced in both the weather and commodity market analysis areas, limiting and slowing the capacity to evaluate and explain emerging events.

In FY 1997, OCE operated on a \$4.4. million budget. The pie chart indicates how current funding has been allocated to each of OCE's goals and management initiative.

## OCE Budget Expenditures



## Program Evaluation .....

No external or formal program evaluations were conducted and used to develop this plan. OCE's evaluation process will consist of annual reviews of measured performance based on feedback from clients and customers and the fulfillment of OCE's responsibilities. OCE will participate in formal "Users' Meetings" organized by the Department's economic and statistical agencies. OCE will also solicit feedback formally at the annual Agricultural Outlook Forum attended by many OCE customers and clients. OCE will also solicit suggestions for improvements from users of the *Weekly Weather and Crop Bulletin* and the *WASDE* report. Also, OCE will solicit feedback from its staff. The results of this comprehensive evaluation process will drive the preparation of OCE budget requests as well as adjustments in the annual performance plan. The scope and nature of OCE's functions do not warrant the cost of a formal program evaluation, particularly in view of an expected reduction in resources.

## The Role of External Entities .....

OCE did not formally solicit external entities to provide specific inputs for the preparation of the strategic plan. Its strategic plan reflects the direct input of the Chief Economist, managers, and staff of all three of the offices that comprise OCE. Input was also received from several USDA agencies, OMB, and staff of the U.S. Senate. OCE employees contributed their own ideas about how best to accomplish OCE's mission and also passed on recommendations expressed by customers and clients prior to and during the preparation of the strategic plan.



# Office of the Chief Financial Officer (OCFO) Strategic Plan

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OCFO



## Introduction .....

**T**he 1,750 employees of the Office of the Chief Financial Officer (OCFO) at headquarters and at the National Finance Center (NFC) in New Orleans provide financial management leadership to USDA, directing and overseeing financial management activities and providing financial information, guidance, advice, and counsel to USDA agencies and programs, which together are responsible for almost \$140 billion of total assets, including almost \$80 billion in net accounts and loans receivable from the public. In this environment, good financial management is particularly critical, requiring increased attention to our financial, general, and performance management activities to improve program delivery and assure maximum contribution to the Secretary's Strategic Goals.

The OCFO was established by the Secretary to meet the mandates of the CFO Act. The Act lays the foundation for comprehensive reform of Federal financial operations, requiring long-range planning, audited financial statements, and accountability reporting. The Act assures leadership in financial management by giving broad new authority and responsibility for directing Departmental financial management activities, modernizing the Department's financial management systems, oversight of financial management personnel, and strengthening financial reporting.

The activities detailed in this Plan will fulfill our Goal to provide critical financial information to program and policy officials, improve policy and program decisionmaking, and enable us to address General Accounting Office (GAO) and Office of Inspector General (OIG) criticisms of our financial management systems.

### Legislative Mandates

The responsibilities of the OCFO derive from several laws impacting financial management as well as from specific delegations from the Secretary. Major legislation impacting OCFO includes:

- The Chief Financial Officers' Act of 1990 (CFO Act) — Establishes the role and responsibilities of the Chief Financial Officer.
- The Government Performance and Results Act (GPRA) — Requires strategic and performance planning by all Federal agencies.
- The Government Management Reform Act (GMRA) — Requires annual audited financial statements.
- The Information Technology Management Reform Act (Clinger-Cohen Act) — Reaffirmed the CFO's responsibility for financial information systems.
- The Federal Financial Managers' Improvement Act (FFMIA) — Requires adherence to specified accounting standards and implementation of financial information systems meeting Government-wide standards.
- The Federal Managers' Financial Integrity Act (FMFIA) — Requires Federal agencies to meet standards of internal control and systems conformance.
- The Federal Credit Reform Act (Credit Reform) — Specifies the accounting and budget standards for direct and guaranteed loan programs.
- The Cash Management Improvement Act (CMIA) — Requires use of improved cash management techniques.
- The Debt Collection Improvement Act of 1996 (DCIA) — Specifies use of new debt management techniques and requires electronic disbursement of all Federal payments.
- The Inspector General (IG) Act Amendments of 1988 - Requires biannual reports to Congress and action on IG recommendations.

## Partnerships and Coordination

OCFO provides Departmentwide leadership and centralized services in financial management. However, much of the responsibility for carrying out financial management duties in the Department belongs to agency financial management staff. Therefore, we focus on maintaining close working partnerships with agency financial organizations to support the needs of policy and program management. We work closely with other Departmental staff support groups, such as Departmental Administration, the Office of the General Counsel, OIG, and the Office of the Chief Information Officer (OCIO), to provide coordinated services to all USDA agencies.

As evidenced by the separate Departmentwide Financial Management Strategic Plan, the OCFO Plan has been coordinated with USDA agencies and other Departmentwide functions. In addition, we partner with our counterparts in other Federal agencies through our participation in intergovernmental councils and workgroups (such as the Chief Financial Officers' Council) and work closely with oversight agencies, such as the Office of Management and Budget (OMB), GAO, the General Services Administration, and others. We also work closely with financial standard-setting organizations, such as the Federal Accounting Standards Advisory Board (FASAB), and with private organizations, such as the Private Sector Council.

## Key External Factors

New financial management legislation and regulations could profoundly impact the nature of our duties and our ability to carry out our responsibilities. In addition, improvements in financial management reporting and responsibilities developed by Governmentwide committees and oversight groups may require increased staff support. Budget restrictions limiting our resources could further impact our ability to meet our requirements and achieve our goals. In those cases, we may be required to reprioritize our goals, and postpone or eliminate selected goals and/or objectives.

## Mission

Through partnerships, provide financial management leadership and service to support quality program delivery in the U.S. Department of Agriculture.

## Goals

OCFO supports the Secretary's strategic goals for USDA by providing management reporting and services for all program activities. OCFO goals relate directly to Management Initiatives in the Overview of the USDA Strategic Plan. Goals 1 and 4 relate specifically to Management Initiative 3; Goals 2 and 3 relate to Management Initiative 4.

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### Goal 1

**Ensure the provision of timely and reliable financial management information, advice, and counsel to support informed decisionmaking by USDA policy and program personnel**



### ■ Objective 1.1

**Implement a single, integrated financial management information system in USDA, in compliance with OMB guidance.**

#### *Strategies for Achieving the Objective*

- Complete development and implementation of Financial Information System Vision and Strategy (FISVIS) project (FY 1999).
- Train headquarters and agency financial management staff in use of new systems (FY 1999).
- Eliminate all financial and mixed systems which are not part of the single, integrated system, and/or do not comply with USDA financial standards (ongoing).
- Establish and maintain Department-wide financial management standards (ongoing).
- Ensure that all new financial and mixed systems comply with Department financial standards (ongoing).

#### *Performance Measures*

- Reliable, timely, consistent, accurate information to policy and program personnel.
- A single, integrated, financial information system as defined by OMB Circular A-127 and the FFMIA.
- All new financial and mixed systems are in compliance with Department-wide standards.

### ■ Objective 1.2

**Achieve an unqualified opinion on USDA Consolidated Financial Statements.**

#### *Strategies for Achieving the Objective*

- Improve the quality and timeliness of audited agency financial statements and aggressively pursue audit resolution, including implementation of credit reform accounting and reporting requirements (ongoing).
- Review agency audits; pursue resolution of open audit issues (ongoing).
- Implement all Federal Accounting Standards Advisory Board (FASAB) cost accounting standards (ongoing).
- Work with agencies to implement agreed audit recommendations in a timely fashion; review automated support to audit resolution process (ongoing).
- Work with agencies to correct material weaknesses and systems nonconformances in a timely manner (ongoing).

#### *Performance Measures*

- Unqualified audit opinion on consolidated and agency financial statements for FY 1999 and beyond.
- Reduction in number of systems nonconformances.
- Open audit issues are promptly resolved.
- FASAB standards are implemented in a timely fashion.

### ■ Objective 1.3

**Provide information to enable policy and program personnel to effectively use cost information for decisionmaking**

***Strategies for Achieving the Objective***

Develop cost accounting standards for USDA agencies using FASAB cost accounting standards.

- Assist agencies in establishing cost accounting procedures and monitor progress (ongoing).
- Work with agencies to review and analyze the cost basis of fees, royalties, rents, and other charges (ongoing).
- Develop and implement cost analysis techniques, such as Activity Based Costing (ongoing).
- Provide useful cost information for decisionmaking (ongoing).

***Performance Measures***

- Cost accounting standards established using FASAB cost accounting principles.
- Agency fees and charges reviewed for compliance with applicable principles.

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**Goal 2**

**Ensure accountability for assets and resources entrusted to the Department**

**■ Objective 2.1**

**Achieve compliance with the Federal Managers' Financial Integrity Act (FMFIA).**

***Strategies for Achieving the Objective***

- Institute effective management controls and internal accounting processes (ongoing).
- Provide policy guidance and oversight to assist managers in achieving compliance with FMFIA (ongoing).

***Performance Measures***

- Compliance with FMFIA for FY 1999 and beyond.
- Reduction in number of material weaknesses and corrective action recommendations in the annual reporting process.

**■ Objective 2.2**

**Develop and publish a Management Accountability Report.**

***Strategies for Achieving the Objective***

- Identify the components of the Report, such as FMFIA, Annual Financial Reports, Prompt Payment Act, GPRA, the Secretary's Management Report, OMB Circular A-133, and others (1998 and beyond).
- Design, develop, and implement the Management Accountability Report (1999).

***Performance Measures***

- Management Accountability Report developed on time.

### ■ Objective 2.3

**Examine new and innovative ways to enhance the effectiveness, efficiency and economy of the Department Working Capital Fund (WCF).**

#### *Strategies for Achieving the Objective*

- Conduct business process analysis of all WCF activities/cost center (ongoing).
- Automate WCF billing processes to make them seamless and paperless (1998).
- Redesign the WCF budget formulation and execution process and Fund status system (capital asset and operating funds), to a seamless, paperless system (1998).

#### *Performance Measures*

- WCF goods and services are cost-competitive, as shown by comparison with commercial sources.
- Customers are satisfied with the goods and services provided, as demonstrated by survey.
- Business volume continues to grow as shown by sales volume and statistical volume increases.
- Periodic Fund-sponsored audits by OIG verify that unit costs and overhead are effectively managed to maintain the health of Fund cost centers.

### ■ Objective 2.4

**Provide effective budget and fund control services to the Office of the Secretary (OSEC) and other client agencies.**

#### *Strategies for Achieving the Objective*

- Provide timely, reliable services to client agencies (ongoing).
- Redesign OSEC planning, budget development, and funds control system to meet customer needs (1998).

#### *Performance Measures*

- Customer surveys show increased satisfaction with planning, budget, and fund control processes and outputs.
- Production of planning, budget, and fund control materials and reports are timely and accurate.

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## Goal 3

**Provide coordination, compliance, and monitoring services to USDA agencies for specified financial management and related legislation, regulations, and Administration policies**

### ■ Objective 3.1

**Support mission agencies in developing Strategic Plans and Performance Plans and in implementing performance measures, as required by the GPRA and the CFO Act.**

***Strategies for Achieving the Objective***

- Provide guidance to agencies in development of strategic plans and performance measures (ongoing).
- Review agency strategic plans and performance measures to ensure compliance with Department's requirements and GPRA principles (ongoing).

***Performance Measures***

- Agencies develop Strategic Plans and Annual Performance Plans, as required by GPRA.
- Measurable improvement in program delivery as a result of implementation of strategic planning and performance measurement.

**■ Objective 3.2**

**Coordinate implementation of Departmental asset management systems.**

***Strategies for Achieving the Objective***

- Develop and expand initiatives to improve debt management and implement Electronic Funds Transfer (EFT), as required by the DCIA (timing identified in Act).
- Expand use of effective cash management mechanisms (ongoing).
- Implement all provisions of the Federal Credit Reform Act (ongoing).

***Performance Measures***

- Increases in collection of delinquent debts to USDA, and decreases in number of new delinquencies.
- Increase in number of programs added under CMIA.
- Reduction in number of delinquent transfers of money, with resulting decrease in dollar amount of interest paid under Prompt Payment Act.
- Adequacy and reliability of data on personal property, vehicles and aircraft, as measured by Treasury's CAMRA Inventory Review .
- Improved foreclosure processing as measured by decrease in number of cases awaiting foreclosure and increase in percentage of applications screened against CAIVRS verification system.
- Compliance with all applicable provisions of DCIA.

**■ Objective 3.3**

**Provide financial management policy guidance, coordination, and oversight to program managers and personnel on existing and new legislation, regulations, and policies.**

***Strategies for Achieving the Objective***

- Monitor new legislation and regulations for impact on financial and program management; provide policy guidance to program agencies.
- Streamline Department processes for managing grants and agreements to provide uniform, efficient operation of Federal Assistance Awards program.
- Provide technical assistance and policy guidance to program agencies on debarments and suspensions and travel systems.

**Performance Measures**

- Customers report satisfaction with service.
- USDA in compliance with Federal regulations.
- New grant processing and travel systems operate efficiently.

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**Goal 4**

**Develop and maintain administrative and financial management information processing systems that are responsive to user and customer needs**

**■ Objective 4.1**

**Effect near-term system improvements by re-engineering administrative and financial systems to develop modern, integrated financial and administrative information systems.**

**Strategies for Achieving the Objective**

- In cooperation with system users, enhance Payroll/Personnel system (1999).
- Enhance the software development environment to CMM Level 2 (1998); Level 3 (1999).
- Complete development and implementation of Purchase Card Management System (1998).
- Complete development and implementation of Procurement Management System (dependent on Modernization of Administrative Processes).
- Complete development and implementation of the Unified Travel System (1998).
- Implement new technologies which provide customers with electronic data entry/inquiry capability. (FY 1998).
- Ensure all OCFO hardware and software are “Year 2000” compliant (FY 1999).

**Performance Measures**

- System changes are accomplished within the target timeframe and meet user requirements.
- Independent assessment confirms that the NFC software development environment has achieved CMM Level 2 during FY 1999.
- Conversion activities are completed on time for all systems impacted by “Year 2000.”

**■ Objective 4.2**

**Develop a technical infrastructure (hardware, software) for systems development which conforms to the OCIO infrastructure architecture and which supports user and customer needs.**

**Strategies for Achieving the Objective**

- Analysis of the hardware/software required to support the customer direction in systems and technical architecture (ongoing).
- Acquisition of the appropriate hardware and software required to support the customer direction in systems and technical architecture (ongoing).

**Performance Measures**

- Hardware capacity and system software are adequate for system processing and for meeting service level targets, and are in compliance with Department standards.
- Unique agency needs satisfied at least cost.

**■ Objective 4.3**

**Improve and enhance the technical expertise of NFC personnel.**

**Strategies for Achieving the Objective**

- Provide technical training in systems development and life cycle management (ongoing).
- Perform analysis of employee training needs (ongoing)
- Assist employees to identify career goals and develop Individual Development Plan (IDP) (ongoing).
- Provide training for current personnel which functionally matches their IDP requirements (ongoing)
- Recruit additional skilled personnel as required to meet demand (phased in over 5 years).
- Conduct evaluation of training effectiveness; take action to correct deficiencies (periodically, ongoing).

**Performance Measures**

- Cutting-edge programming techniques and tools are being used throughout NFC to develop systems that meet user and customer requirements.
- Effectiveness of training is evaluated, deficiencies corrected, and ongoing improvements made.

**■ Objective 4.4**

**Continually improve efficiency and customer satisfaction with operations; market capabilities.**

**Strategies for Achieving the Objective**

- Market operational capabilities through outreach efforts, including technical fairs, training, and partnerships with customer organizations (ongoing).
- Continually monitor direct cost drivers for each system to identify areas where additional cost efficiencies might be achieved (e.g., systems maintenance, elimination of paper output) (FY 1998).
- Periodically measure customer satisfaction and take steps to address deficiencies (ongoing).

**Performance Measures**

- Use of existing and newly emerging capabilities increases 10 percent per year.
- A baseline level of customer satisfaction is established for major products or services.
- The total hours of systems maintenance is reduced by 10 percent from FY 1997 baseline.
- Paper outputs to customers (internal and external) are reduced by 20 percent from FY 1997 baseline.

- Program abends relative to programs executed show a 20-percent decrease.
- After systems are revitalized, customer requests for change show a 5 percent improvement in turnaround time.

## Management Initiatives .....

The ability of OCFO to achieve its major goals is dependent upon achieving initiatives related to building our human resource capability and establishing a strong financial community in USDA.

### ■ Management Initiative 1

**Promote the principles of diversity and equal employment opportunity in a productive, quality-oriented financial management workforce**

#### *Strategies for Achieving the Management Initiative*

- Provide a supportive working environment; assure equal employment opportunity in hiring and promotion; implement a civil rights awareness and training program (ongoing).
- Develop a Continuing Professional Education (CPE) program for accounting professionals (1998).
- Open CPE program to other CFO organization professionals (1999).
- Management actively participates with staff to develop Individual Development Plans (IDPs) (ongoing).
- Assess individual training needs by external evaluation of performance and work responsibilities (annually).
- Develop and implement a program offering developmental cross-training and other growth opportunities (1998).
- Develop policies to resolve issues of concern to employees (ongoing).

#### *Performance Measures*

- Diversity of race and gender in makeup of employee roster, assignments, promotions, and advancement opportunities.
- Development and implementation of a CPE program.
- Successful implementation of a plan for participation of management and staff in development of IDPs, as measured by supervisory, peer, and self-evaluation.

### ■ Management Initiative 2

**Invest resources in training and employee development, recruitment, and placement to ensure continuing high-quality financial management skills.**

#### *Strategies for Achieving the Management Initiative*

- Invest in training, employee development, and the work environment (ongoing):
  - Establish an external awards committee to place greater emphasis on employee recognition
  - Management and staff to participate in team building
  - Expand alternative work opportunities
  - Develop a financial management staff training plan
  - Develop placement and recruitment strategies

**Performance Measures**

- Improvements in employee skill level
- Development of plan for employee recruitment/placement
- Improved performance in assignments related to training or career development

**■ Management Initiative 3**

**Establish a strong, results-oriented, highly effective, and professional financial community within USDA.**

**Strategies for Achieving the Management Initiative**

- Participate in initiatives, projects, and activities of the central guidance agencies; seek assistance where needed to implement recommendations within USDA (ongoing).
- Coordinate USDA participation in Governmentwide Advisory Groups and Boards.
- Implement the results of the USDA Advisory Council Report on Financial Management Professional Development.

**Performance Measures**

- A highly skilled cadre of financial personnel in USDA.
- Effective representation in Government-wide councils, with no wasted resources.

**■ Management Initiative 4**

**Develop strong partnerships with central guidance agencies.**

**Strategies for Achieving the Management Initiative**

- Participate in CFO Council and other central guidance agencies; participate in initiatives, projects and activities.
- Seek assistance where needed to implement recommendations within USDA (ongoing).

**Performance Measures**

- Active participation in opportunities to partnership with central guidance agencies.
- Implementation of recommendations, where appropriate, within the CFO organization.

## Linkage of Goals to Annual Performance Plan .....

The OCFO Annual Performance Plan is linked to the Objectives in the OCFO Strategic Plan. Performance measures identified in this Strategic Plan will be used in the OCFO Annual Performance Plan. Objectives in the 5-year Strategic Plan work together to accomplish the Goals stated in the Plan, with accomplishment of Goals and Objectives determined by availability of resources.

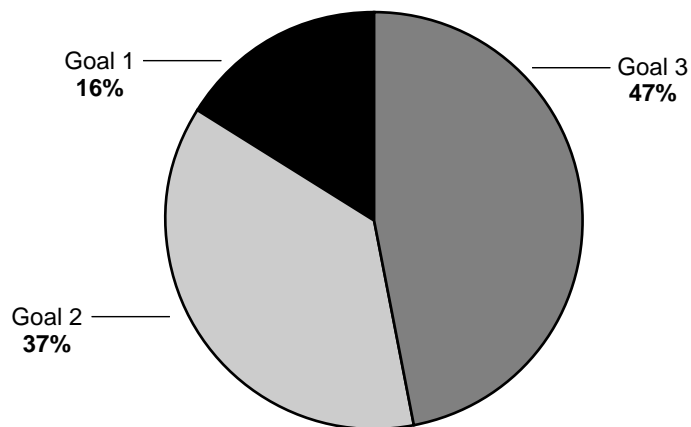


## Resources Needed .....

Accomplishment of these goals may be difficult within current staff levels. Financial management activities to implement new legislation and meet congressional expectations for efficient management of assets and receivables will require increases in staff. With current budget constraints, prioritization of tasks will be necessary, and not all goals may be accomplished. At NFC and with other projects funded through the WCF, tasks will be undertaken as funds are provided. Currently, OCFO devotes its appropriated funds to accomplish goals as shown:

- Goal 1: Financial Information (16 percent)
- Goal 2: Control of Resources (37 percent)
- Goal 3: Assistance, Oversight, Counsel (47 percent)
- Goal 4: Financial and Administrative Systems (all funding is from reimbursement for services)
- Management Initiatives: Costs are allocated to Goals 1, 2, and 3.

## Use of Appropriated Funds



**Goal 4: Financial and Administrative Systems**  
(all funding is from reimbursement for services)

Management Initiatives: **Costs are allocated to Goals 1, 2, and 3**

## Program Evaluation .....

This Plan was developed, in part, based on assessment of USDA financial systems by the GAO and OMB reviews and audits of our financial statements by the OIG were among the evaluations used in preparing this plan.

Evaluation of progress toward goal achievement will come in multiple forms, including:

- Quantitative performance measures (where achievement can be quantified);
- Audits by the Inspector General and GAO;
- Successful systems development;
- Financial performance reports; and
- Customer service surveys.

Current financial information systems are not fully capable of producing necessary performance data. However, the Foundation Financial Information System, when completed, will provide required performance measurement data. Audits of financial reports are routinely scheduled by the OIG. Customer service surveys are planned.

The OCFO mission statement and Strategic Plan were developed through broad participation of personnel and customers, and represent their shared input and commitment. In addition, comments and input from the General Accounting Office, the Office of Management and Budget, and Congressional consultations have been considered and incorporated.

## **Role of External Entities** .....

No non-Federal entities were used in the preparation of this Plan.

# USDA Financial Management Plan

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OCFO



## Introduction .....

The U.S. Department of Agriculture (USDA) is a large, complex organization comprised of seven program mission areas. USDA is the fourth largest civilian Department in the U.S. Government, employing more than 100,000 people at over 12,000 locations worldwide. Each USDA mission area and agency is different, requiring program managers with highly specialized expertise to deliver program services to meet diverse mission objectives. Program managers depend on financial officials for timely and accurate financial information in order to make decisions that result in effective program delivery at the lowest cost. To meet the information needs of the program managers, financial officials must develop and maintain systems that track costs and report on performance. The varied missions are indicative of the complexity and diversity of the programs and the challenges faced by the Chief Financial Officer (CFO) and the entire USDA financial community.

To assist in development of a financial management community in USDA that is capable of successfully meeting the current and future challenges in Federal financial management, the CFO established the CFO Advisory Council. It consists of the top financial officials from each of the seven program mission areas. Through the efforts of the CFO and the CFO Advisory Council, USDA has established a strong, cohesive financial community with a common mission.

The USDA financial management mission statement represents recognition by the USDA financial community that the provision of financial information is not an isolated function, but rather a service provided to program managers and agency decisionmakers to improve their ability to manage their programs. The financial community is responsible for providing timely, accurate, and consistent financial information; helping program managers understand financial information; and educating program managers on financial issues so they can fulfill their financial management role. In articulating the mission of financial management, the USDA financial management community made a commitment to changing the financial management culture, improving management accountability, enhancing the financial management infrastructure, and improving financial systems.

This Plan does not contain all the legislatively mandated elements of a strategic plan under the Government Performance and Results Act of 1993 (GPRA) because the goals and objectives of this plan will be accomplished by the cooperative work of agency financial management staff, under the multiple appropriations of our agencies. The Office of the Chief Financial Officer (OCFO) Strategic Plan and mission area and agency strategic plans contain all required elements.

## Mission Statement .....

The USDA financial management community collectively supports enhanced USDA program performance and accountability by strengthening partnerships and providing effective financial management leadership and services.

## USDA Financial Management Goals .....

### Goal 1

**Implement a single, integrated financial management system.**

The Department shares the view of the Governmentwide CFO Council that the key to improved financial and program management is improved financial management systems. Improving financial management systems will provide better information for decision making and enable program and financial managers to more effectively carry out their mission.

The Department operates 67 financial management systems that include 133 applications, and a number of mission area financial management subsystems. The data in some systems is neither timely nor readily accessible. Many systems were developed to address specific agency needs with little central coordination or oversight by the Department. Standardization and data interchange were frequently not addressed when the systems were built, and as a result, information is often incompatible with related information drawn from other systems. Consequently, generating consolidated reports and responding to queries from within and outside the Department is often a complex and labor-intensive task.

In 1993, the OCFO established a highly trained, full-time, dedicated, interagency, interdisciplinary project team to develop the Financial Information Systems Vision and Strategy (FISVIS) project. The goal of the project was to establish financial standards and definitions, and develop a Departmentwide Foundation Financial Information System (FFIS).

The Department views the move towards a single, integrated system as encompassing three interrelated elements. Those elements are (1) the implementation of FFIS, (2) effectively interfacing or integrating data from other financial and mixed systems, and (3) modernizing or replacing certain financial, administrative, and mixed systems. USDA has made significant progress in achieving each of these elements. FFIS is in the process of implementation. The Department, through the National Finance Center (NFC) and the Modernization of Administrative Processes (MAP) program, is modernizing its administrative systems and USDA agencies are modernizing their agency-specific financial systems and the financial portions of mixed systems. Agency-specific systems that comply with USDA financial management policies and standards are being developed by Rural Development (RD); Forest Service (FS); Risk Management Agency (RMA); Farm Service Agency (FSA); Food and Consumer Service (FCS); and the Natural Resources Conservation Service (NRCS). At the same time, agencies such as the Animal and Plant Health Inspection Service (APHIS) and the Agricultural Research Service (ARS), among others, are eliminating agency-specific financial systems by utilizing Department-wide systems capabilities.

### ■ Objective 1.1

**Implement and maintain a Department-wide single, integrated, financial management information system.**

#### ***Strategies for Achieving the Objective***

- Implement USDA mission areas and agencies into FFIS (FY 2000).
- Ensure that the accounting systems being planned and under development adhere to applicable Joint Financial Management Improvement Program (JFMIP), Treasury, and USDA standards and requirements (ongoing).
- Interface current NFC systems with FFIS (FY 1999).

#### ***Performance Measures***

- A single, integrated financial information system in compliance with Office of Management and Budget (OMB) Circular A-127, JFMIP requirements, and the Federal Financial Management Improvement Act of 1996 (FFMIA).

## ■ Objective 1.2

### Modernize administrative systems at the NFC.

#### *Strategies for Achieving the Objective*

- Modernize NFC's Payroll/Personnel System (FY 1999).
- Modernize NFC's Administrative Payments System and underlying technology (FY 2000).
- Modernize NFC's business processes (ongoing).

#### *Performance Measures*

- Modernized financial, administrative, and related systems at NFC in compliance with Department-wide administrative architecture and meeting needs of client agencies.

## ■ Objective 1.3

### Modernize agency-specific financial and mixed systems.

#### *Strategies for Achieving the Objective*

- Implement FSA CORE Accounting System (FY 1999).
- Interface the FCS Agency Financial Management System (AFMS) with FFIS (FY 1999).
- Reengineer NRCS financial management (FY 1999).
- Develop and implement the FS Infrastructure Management Information Systems for real property (FY 1998).
- Modernize and interface FS systems (FY 1998).
- Implement Rural Housing Service (RHS) Direct Loan Origination and Servicing (DLOS) system (FY 1998).
- Implement the RD Community and Business Programs Direct Loan Accounting and Management Information System (FY 2000).
- Implement the new RD Guaranteed Loan Accounting System (FY 2000).
- Implement the new RD Appropriation Accounting System (FY 2000).
- Implement a fully integrated budget, accounting, and financial reporting system that addresses all phases of RMA financial responsibilities (FY 1999).

#### *Performance Measures*

- Modernized agency-specific financial and mixed systems in compliance with USDA standards and fulfilling needs of users.

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## Goal 2

### Provide complete and comprehensive financial management reporting.

Complete and comprehensive financial reports promote proper stewardship of Federal resources, facilitate decision making, accommodate streamlining, and improve program delivery by improving the ability of program managers to make reasoned financial decisions. The goal of USDA financial managers is to provide complete, comprehensive, and readable financial reports that meet the needs of program managers and satisfy legislative mandates.

Management accountability is the expectation that officials are responsible for the quality and timeliness of program performance: increasing productivity, controlling costs, mitigating adverse aspects of mission area and agency operations, and assuring that programs are managed with integrity and in compliance with applicable laws. Management controls, on the other hand, are tools to help program and financial officials achieve results and safeguard the integrity of their programs. The importance of management accountability and control is addressed both explicitly and implicitly in many statutes and executive branch documents. The Federal Managers' Financial Integrity Act (FMFIA) establishes specific requirements with regards to management controls: Controls must be established to reasonably ensure that obligations and costs comply with applicable law; assets are safeguarded against waste, loss, unauthorized use or misappropriation; and revenues and expenditures are properly recorded and accounted for. In addition, financial systems that protect the integrity of USDA programs must be evaluated on an annual basis. Lastly, the Inspector General (IG) Act Amendments of 1988 require the Secretary to report on the status of management decisions and final actions taken on audits. Audits without final action 1 year from the management decision date must be reported in the Secretary's Management Report.

USDA has reported noncompliance with the FMFIA for the past 6 years, due in part to inadequate financial management systems, both at the Departmental level and within USDA mission areas and agencies. USDA's 1996 FMFIA Report included 39 material weaknesses and 12 financial systems nonconformances; however, USDA agencies have made progress in reducing the number of material weaknesses and financial systems nonconformances by establishing project teams to address specific problem areas.

In an attempt to make reporting more comprehensive and understandable, Government Management Reform Act (GMRA) mandates simplification of Federal financial reporting by consolidation into a single, annual Management Accountability Report by FY 1999. This single report will consolidate the reporting requirements of several Acts: GPRA, FMFIA, IG Act Amendments, the Prompt Pay Act and others.

Making agencies accountable for their performance is the intent of GPRA. GPRA requires the development of strategic plans with performance goals, and measuring accomplishments against those goals. Within USDA, GPRA implementation is coordinated through OCFO, with the help of the USDA financial management community and the collaboration of the Office of Budget and Program Analysis (OBPA). Recently, OMB directed agencies to integrate the GPRA strategic planning requirements into the budget formulation and execution process. The reporting of performance information in budget submissions will force managers to look closely at resource allocation, and enable decision makers to allocate resources to programs that are demonstrated to be effective and efficient.

## ■ Objective 2.1

### Report compliance with the requirements of FMFIA.

#### *Strategies for Achieving the Objective*

- Correct management control issues and systems nonconformances as they are identified (ongoing).
- Implement new financial systems (see Financial Management Systems section).
- Incorporate management controls into program operations to strengthen management accountability (ongoing).



**Performance Measures**

- Compliance with FMFIA requirements.

**■ Objective 2.2**

**Reduce significantly the number of audits without final action 1 year after the management decision.**

**Strategies for Achieving the Objective**

- Streamline the audit follow-up process (ongoing).
- Implement new financial systems (see Financial Management Systems section).
- Ensure management awareness of significant audit issues (ongoing).

**Performance Measures**

- Improved action on audit recommendations.

**■ Objective 2.3**

**Implement strategic planning as the foundation for budget preparation and strategic goals as the basis for resource allocation.**

**Strategies for Achieving the Objective**

- Provide training opportunities to agencies on strategic planning to assure that strategic planning flows through USDA organizations (ongoing).
- Assure that annual performance plans serve as the focus of budget preparation and resource allocation, and for discussion with OMB and the Congress (ongoing).
- Review and analyze the strategic plans, and work with the agencies to revise them as necessary (First Quarter, 1999).

**Performance Measures**

- Strategic planning is integrated with budgeting and program management throughout USDA.

**■ Objective 2.4**

**Prepare a single Management Accountability Report.**

**Strategies for Achieving the Objective**

- Identify components of Management Accountability Report (FY 1998).
- Prepare first Management Accountability Report (FY 1999).

**Performance Measures**

- A single Management Accountability Report for FY 1999, including consolidated financial statements and reporting required by GPRA, FMFIA, IG Act Amendments, and others.

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### Goal 3

**Provide consistent, reliable, and timely financial statements, worthy of an unqualified audit opinion.**

Financial statements document the execution of program managers' financial responsibilities. Federal Government managers and officials, as well as the citizens of this country, are entitled to comprehensive, consistent, and understandable financial statements on the financial position and operations of USDA. To ensure the integrity of financial statements, it is critical that they are based on a comprehensive set of accounting standards, and that compliance with those standards is measured on a regular basis.

The integrity of USDA financial statements is addressed annually by the OIG, which issues a report and opinion. Six USDA entities and the Department issue separate statements. The following table summarizes the results of audits of the financial statements of USDA and its agencies for fiscal years 1992 through 1996.

#### Comparison of the FY 1996 Financial Statements Audit Opinions to Prior Years

Organization	FY 1996	FY 1995	FY 1994	FY 1993	FY 1992
CCC	Disclaimer	Unqualified	Unqualified	Unqualified	Unqualified
FCIC*	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
FCS	Qualified	Unqualified	Disclaimer	Unqualified	Unqualified
FS	Disclaimer	Adverse	Qualified	Qualified	Adverse
RD	Qualified	Qualified	_____	_____	_____
FmHA**	_____	_____	Qualified	Unqualified	Unqualified
REA***	_____	_____	Unqualified	Unqualified	Unqualified
RTB****	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
USDA	Disclaimer	Disclaimer	Disclaimer	Qualified	Adverse

\* Federal Crop Insurance Corporation

\*\* Farmers Home Administration

\*\*\* Rural Electric Agency

\*\*\*\* Rural Telephone Bank

\_\_\_\_\_ No Opinion

The audit opinion on USDA consolidated financial statements is being adversely impacted by:

- the FS audit opinion;
- lack of controls over establishing and re-estimating loan subsidy costs for not only the RD programs, but also the farm loan programs administered by FSA;
- lack of adequate controls over inventory recorded in the Commodity Credit Corporation (CCC) Processed Commodity Inventory Management System (PCIMS); and
- financial systems nonconformances and management control weaknesses that exist at NFC.

FS, OCFO, and OIG formed a team in August 1996 to ensure that FS material weaknesses outlined in the FY 1995 audit report are corrected. The goal is to receive

an improved FS audit opinion for FY 1997 and FY 1998, and an unqualified audit opinion for FY 1999.

The primary reason RD received a qualified audit opinion is the need for strengthened controls for establishing and re-estimating loan subsidy costs. OCFO, OIG, RD and FSA have been working together to identify a methodology that managers and auditors can use to document and support assumptions and cash flows used to establish and re-estimate loan subsidy costs. These methods are being implemented in FY 1997 so that unqualified opinions may be achieved for FY 1998 or FY 1999. In addition, as RD & FSA modernize their financial systems they will incorporate functionality to enable them to more effectively perform credit accounting reform.

CCC has been performing detailed reconciliations to adjust both the PCIMS and the applicable general ledger inventory accounts on an ongoing basis.

It is anticipated that many of the NFC systems and control weaknesses will be eliminated with implementation of the new FFIS beginning in FY 1998. The other material weaknesses are under review and appropriate corrective actions will continue until adequate controls are in effect.

Cost accounting provides managers with quantitative financial information that is essential for informed decision making. Sound cost accounting and management systems must be established in USDA to provide the consistent reliable, timely, and useful cost information needed by program managers to set fees and charges for goods and services provided. In addition, USDA must comply with Federal Government requirements that address cost information, such as those included in the CFO Act, GPRA, GMRA, FFMIA, and JFMIP.

### ■ Objective 3.1

**Obtain an unqualified audit opinion on USDA consolidated financial statements for FY 1999 and beyond, and on all USDA mission area and agency stand-alone financial statements.**

#### ***Strategies for Achieving the Objective***

- Implement actions to enable all USDA agencies to receive an unqualified opinion (ongoing).
- Eliminate all material weaknesses identified in OIG audits of financial statements, particularly for the FS and NFC (Fourth Quarter, 1998) and the RD mission area (Fourth Quarter, 1998).
- Ensure implementation of FFIS with no material weaknesses (ongoing).

#### ***Performance Measures***

- Unqualified opinion on Department-wide and agency financial statements.

### ■ Objective 3.2

**Implement Departmental and Government-wide financial and accounting standards and requirements.**

#### ***Strategies for Achieving the Objective***

- Ensure that the *USDA Financial and Accounting Standards Manual* is up-to-date and readily accessible (ongoing).

- Implement Departmental and Government-wide financial and accounting standards and requirements as required (ongoing).
- Monitor USDA agency compliance with the standards and requirements (ongoing).

#### **Performance Measures**

- Financial information is prepared and presented consistently Department-wide.

### ■ Objective 3.3

**Establish and implement USDA cost accounting standards that are in conformance with JFMIP's "Cost Accounting System Requirements," and other applicable standards and requirements.**

#### **Strategies for Achieving the Objective**

- Identify the full cost of outputs of each responsibility segment (ongoing).
- Identify in the *USDA Accounting and Financial Statements Guidance Manual* the general-purpose financial report(s) for reporting the full cost of outputs (ongoing).
- Assist USDA managers and officials to resolve cost accounting issues and problems (ongoing).
- Provide cost information that is responsive to needs (ongoing).

#### **Performance Measures**

- Compliance with FASAB standards.
- User fees collect full costs of service.
- Policy and program personnel routinely use cost information for management decision-making.

## Goal 4

**Modernize methods of payment and collection, improve management of receivables, and safeguard assets.**

The purpose of an asset management program is to protect and improve the management of Government resources. The Department must track assets to know where they are, collect monies when they are due, and disburse funds in a timely manner. The asset management program provides policies and procedures for collecting monies from delinquent debtors, promotes safe and reliable collection and disbursement procedures, implements the Prompt Payment Act, and ensures adequate controls over real and personal property and inventories.

Credit management and debt collection are mandated by the Debt Collection Act of 1982, as amended; the Debt Collection Improvement Act (DCIA) of 1996; OMB Circular A-129, "Managing Federal Credit Programs"; the Federal Claims Collection Standards, as amended; and the Treasury Financial Manual. Federal credit programs are created to accomplish a variety of social and economic goals, and agencies must implement policies and establish practices that ensure that those goals are met while properly identifying and controlling costs. In addition, Federal receivables, whether from credit programs or other nontax sources, must be serviced and collected in an effective and efficient manner to protect the value of the Federal Government's assets.

Cash management is concerned with three key activities: accelerating receipts and deposits, timely disbursement of payments, and investment of temporary excess cash balances. The Department has pioneered many cash management collection and disbursement initiatives, such as the use of concentration banking systems, preauthorized debits, customer-initiated payments, electronic funds transfer (EFT), lockboxes, credit cards, third-party drafts, and direct deposit.

The OCFO has oversight responsibility for asset management systems, including Federal assistance programs. Federal assistance supports more than 130 programs through a wide variety of arrangements, including grants, cooperative agreements, direct loans and loan guarantees, insurance and insurance guarantees, and technical assistance. The total value of these arrangements accounts for all but a small percentage of the Department's budget authority.

#### ■ Objective 4.1

##### **Improve the management of outstanding debt.**

###### ***Strategies for Achieving the Objective***

- Implement DCIA; develop policies and procedures to assure the timely implementation of credit management and debt collection initiatives (ongoing).
- Standardize procedures for credit management and debt collection (ongoing).
- Expand the use of debt collection tools (ongoing).
- Improve agency receivable accounting practices (i.e., procedures for write-offs) (ongoing).
- Participate in the Government-wide administrative offset program (ongoing).

###### ***Performance Measures***

- Improved collection of outstanding debt with reduced delinquencies and write-offs.

#### ■ Objective 4.2

##### **Implement EFT requirements for payments.**

###### ***Strategies for Achieving the Objective***

- Develop the Departmental implementation plan (ongoing).
- Identify and address issues and barriers (ongoing).
- Implement new procedures (Fourth Quarter, 1998).

###### ***Performance Measures***

- All payments, except those waived by Treasury, are made by EFT by 1/1/99.

#### ■ Objective 4.3

##### **Improve the USDA process for administering grants and agreements with non-Federal organizations.**

###### ***Strategies for Achieving the Objective***

- In partnership with FCS and the Department of Health and Human Services, update the rules for entitlement programs (ongoing).

- Transfer USDA's coverage of entitlement programs to new regulations; identify needed changes to existing procedures (Third Quarter, 1998).
- Publish the proposed regulations (First Quarter, 1999).
- Issue the final regulations (Fourth Quarter, 1999).
- Submit proposed legislation to Congress for a pilot project with smaller governmental entities (Fourth Quarter, 1999).
- Implement pilot (FY 2000).

#### ***Performance Measures***

- Streamlined regulations for small (State and local) government entities.

### ■ **Objective 4.4**

#### **Redesign Federal Assistance Award Data System (FAADS).**

#### ***Strategies for Achieving the Objective***

- Complete the systems development work on the redesign of FAADS (First Quarter, 1998).
- Test and implement the newly redesigned FAADS (Fourth Quarter, 1998).

#### ***Performance Measures***

- Streamlined method to obtain information on Federal awards.

## ● ● ● ● ● **Goal 5**

### **Build a community of financial officials that speaks with one voice, resolves common problems, and reaches common goals.**

The USDA financial community must work together to communicate the benefits of good financial management, resolve common issues, and develop a competent, professional financial management workforce. The CFO Advisory Council was created to unite the USDA financial community, and provide opportunities to share information and work together to accomplish common goals. The Council is comprised of the top financial officers of USDA mission areas, and meets monthly to discuss, debate, and make recommendations to the CFO on specific financial issues and initiatives.

In an environment of decreasing resources, it is necessary to find more efficient ways of training personnel, providing financial information, and accomplishing financial management objectives. The Advisory Council recognizes that, with dwindling resources, a joint effort is necessary to establish an effective professional development program. Therefore, the Council is in the process of developing a training policy and program for professional development of financial managers.

### ■ **Objective 5.1**

#### **Establish a framework that will provide USDA with a highly motivated and well-trained financial management workforce.**

***Strategies for Achieving the Objective***

- Implement the USDA CFO Advisory Council recommendation to develop a Financial Management Professional Development program (ongoing).
- Establish and maintain a Departmental Continuing Professional Development Program (ongoing).
- Encourage employees to achieve relevant professional credentials and certifications, and support them in doing so (ongoing).
- Identify and/or develop educational opportunities for financial and program officials (ongoing).
- Develop training technologies that are cost effective, on demand, interactive, self-study, and/or remote-location accessible (ongoing).
- Initiate rotational and cross-training assignments within the financial community (ongoing).

***Performance Measures***

- Improved skills and capabilities of financial management personnel.

**■ Objective 5.2**

**Encourage a collective USDA effort regarding financial management and human resource interests.**

***Strategies for Achieving the Objective***

- Enhance the joint working relationship between OCFO and the USDA agencies to strengthen the overall structure of the USDA financial community (ongoing).
- Maintain the CFO Advisory Council to address financial management issues (ongoing).
- Organize financial interest groups to address specific financial problem areas (ongoing).

***Performance Measures***

- USDA financial personnel support the needs of the programs.





# Office of the Chief Information Officer (OCIO) Strategic Plan

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## Introduction .....

**T**he Office of the Chief Information Officer (OCIO) serves the United States Department of Agriculture (USDA) agencies and supports program delivery by planning, directing, and coordinating the Department's Information Resources Management (IRM) and technology programs.

The USDA has identified four Departmental priorities:

- Expanded economic and trade opportunities for farm and other rural residents;
- Ensure a safe and affordable food supply;
- Sensible management of our natural resources; and
- Providing our services efficiently and effectively.

The Office of the Chief Information Officer (OCIO) in concert with USDA agencies must use information as a strategic resource to help accomplish these priorities. The Information Technology Management Reform Act (ITMRA) of 1996 established new information management requirements including the implementation of an Information Technology (IT) architecture and the commencement of a Capital Planning and Investment Control process. To meet the requirements of ITMRA, and to provide a Departmental focus for IRM issues, the OCIO provides Department-wide policy guidance, leadership, coordination and direction to the Department's information management and IT investment activities in support of USDA program delivery. The OCIO develops these partnerships by working with the Federal CIO Council, USDA agency IRM and program managers, the USDA Executive Information Technology Investment Review Board, and the USDA IRM Council.

## Key External Factors .....

There are several external factors that may affect the achievement of OCIO goals and objectives. Among these are the following: (1) variances in programmatic or legislative mandates brought about by major changes in the quantity, type, and utilization of information, (2) the rapid pace of change in technology and (3) the ability to acquire qualified personnel.

## Mission .....

To strategically acquire and use information and technology resources to improve the quality, timeliness, and cost effectiveness of USDA service delivery to its customers.

## Goals .....

.....

### Goal 1

**Ensure decisions regarding the selection and deployment of information technology are based on USDA business needs.**

IRM initiatives must involve USDA-wide solutions to be effective and affordable. Because information resources consume a large portion of the budget and play an increasingly important role for program delivery, it is essential that senior program and information management officials work together to manage USDA's portfolio of information technology investments.

Aligning information technology to mission goals is fundamental to successful IT programs. USDA must implement a strategy to capitalize on emerging technologies that provides timely solutions to its business needs. USDA has begun to examine the way in which its IRM organizations do business in order to capitalize on opportunities for change and to meet legislative requirements. Improved management of infor-

mation resources will result in reduced costs in many areas, but more importantly will enable USDA to greatly improve service to its customers while reducing the information collection burden on the public.

### ■ Objective 1.1

**Use a decision-making process within USDA that makes the program and IT officials responsible for IT investment.**

Ensuring that IT decisions meet core business needs requires the engagement of a broad spectrum of the USDA community, beginning with the most senior-level program officials. It will be necessary to clearly define roles and relationships within USDA that articulate responsibility and accountability for IT decisions. The USDA program and technical communities must work in partnership to share responsibility for the selection and management of its information systems. USDA plans for investment in information technology must be directly linked to the core business processes and strategic business direction articulated in its strategic plans. This OCIO objective supports USDA Management Initiative 3.

#### ***Time Frame for Completion***

Through FY 2002.

#### ***Strategies for Achieving the Objective***

- Create an Executive Information Technology Investment Review Board (EITIRB), consisting of mission area executives and chaired by the Deputy Secretary to oversee major IT initiatives. The Board will recommend and enforce decisions on project initiation, continuation, modification, or cancellation based on evaluation of risks, costs, and benefits.
- Clarify roles and responsibilities of existing interagency councils, boards, working groups and other bodies as related to IT management. Consolidate these groups, as appropriate, to achieve greater effectiveness and reduce redundancy.
- Clearly define the responsibilities, authorities, and accountability of program managers for IT investments.
- In partnership with the agencies, the OCIO will revise Departmental regulations and policies concerning IT management and information collection to reflect the new legislative and USDA requirements.

#### ***Performance Measures***

- Future IT investment decisions are based on program and business needs founded in a formal Departmental decision-making process.
- Departmental IT activities are directly linked to the mission they support, as identified in IRM planning and budgeting documents.

### ■ Objective 1.2

**Establish a standard Capital Planning and Investment Control (CPIC) Program in USDA to ensure IT investments are made in direct support of business objectives and managed prudently.**

USDA must ensure that its IT investments deliver a substantial business benefit to agencies and a positive return on the investment for taxpayers. In order to meet these requirements, ITMRA legislates the establishment of an effective and efficient capital planning and investment control process. The CPIC Program will establish a process for the Department for selecting, managing, and evaluating the results of all major investments in information technology. As an integral part of the IT acquisition process, it will require senior management to take decisive actions that address IT investment issues. The CPIC Program will be developed to support the EITIRB in its decision-making role. This OCIO objective supports USDA Management Initiative 3.

***Time Frame for Completion***

Through FY 2002.

***Strategies for Achieving the Objective***

- Implement a program to develop a systematic approach to managing the risks and benefits of IT investments for USDA. Methodologies, processes, and policies will be identified and defined for risk assessments, benefit/cost analyses, investment thresholds and criteria, analysis of alternatives, and screening process for the selection phase of the CPIC Program.
- Pilot the methodologies, processes, and policies developed above for the FY 1999 budget process. "Lessons Learned" will be used as feedback to modify selection decision criteria and the investment control processes.
- Institutionalize and standardize the discipline of project management within USDA. A methodology and best practices will be incorporated into policies. A cadre of project managers from USDA agencies will be trained.

***Performance Measures***

- The process by which IT investments are evaluated and selected in USDA is clearly documented and promulgated. The process is scalable for use at various levels of IT decision-making within the Department.
- IRM budgeting and planning is improved and based on the IT Capital Planning and Investment Control process.

**■ Objective 1.3**

**Identify opportunities for streamlining program and administrative business activities, and the technology that supports them, through the development and implementation of a business/data architecture.**

As part of USDA's effort to define and implement an information technology architecture, process/data specialists are developing USDA-wide process and data descriptions to identify opportunities for business process improvements, data sharing, and technology selection. These models are being stored in a pilot data repository to which all agencies are afforded access. The Business/Data Architecture initiative is leveraging existing documentation to create Department-wide and mission area views of USDA work processes and data at a very general level of detail. Future efforts will continue the examination, analysis, and documentation of processes and data in more detail to create structured models of USDA's business.

The Business/Data Architecture team, along with program managers and senior-level leadership, will examine the high-level descriptions to select subsets of the busi-

ness for more detailed analysis and documentation. These subsets will be selected based on evidence that further examination, analysis, and documentation will yield economy, mitigate risks, or support immediate business improvements. This effort will become the starting point for senior-level management to ensure that Departmental IT investment decisions support core business objectives and efficient business processes. This OCIO objective supports USDA Management Initiative 3.

***Time Frame for Completion***

Through FY 2002.

***Strategies for Achieving the Objective***

- Describe, validate, and document core business processes used within USDA programs and mechanisms that support USDA operations.
- Identify data classes, in the form of data models, required to support business processes.
- Link processes to organizational components, processes to information needs, and information needs to business entities and support process reengineering projects.

***Performance Measures***

- USDA program and IT communities use the pilot and operational data repositories to identify opportunities for business process reengineering. Management reports are made available from the repository to facilitate this process.
- Business process reengineering projects have OCIO participation and use the results of the business data architecture.

■ **Objective 1.4**

**Coordinate with the Departmental planning process to ensure that it links IT planning to business planning and the USDA budget process.**

Under GPRA, the ITMRA, OMB Circulars A-130 and A-11, and other requirements, agencies prepare a variety of IRM-related and program plans. Although these plans differ in purpose, they interrelate. Under this objective, various strategies will be employed to look for options for coordination and streamlining of these requirements.

This effort begins with the recognition that in order for business and IT investment plans to be mutually supportive, the processes for plan development must be integrated. The approach emphasizes the need to develop useful plans through a constructive, timely planning process based on sound management principles and defines accomplishments that can be measured. As it matures, IT, strategic, and budget planning will all become integrated components essential for supporting agency budget requests and approvals. This OCIO objective supports USDA Management Initiative 3.

***Time Frame for Completion***

Through FY 2002.

***Strategies for Achieving the Objective***

- Define and institute a process that firmly integrates business and IRM planning.
- Update, as needed, planning policies and procedures.

**Performance Measures**

- IRM planning is integrated with GPRA and Capital Planning and Investment Control and results in efficient, effective, and cost-beneficial program delivery. Departmental and agency planning processes are coordinated.

**■ Objective 1.5****Reduce risk in USDA information technology through implementation of system life cycle management practices.**

To ensure that information systems are efficiently developed and meet established business requirements, procedures that govern the management of these systems throughout their entire life cycle must be defined and implemented. These procedures will address the link between systems development documentation, strategic business plans and USDA architecture components. Life cycle management procedures will also include clear identification of performance criteria for each phase of a project's life. The USDA systems life cycle methodology will focus on creating a process for requirements definition, system design, development, testing, delivery, support, ongoing change management, retirement of systems, and technology infrastructure. This OCIO objective supports USDA Management Initiative 3.

**Time Frame for Completion**

Through FY 2002.

**Strategies for Achieving the Objective**

- Employ pilot testing, simulations, and prototype implementation prior to full production.
- Deploy information systems in phased, successive modules of narrow scope and duration so that measurable benefit of each investment can be made independently and before additional elements of the project are undertaken.
- Undertake acquisition strategies that allocate risk between the Government and contractors, effectively use competition, build incentives for project accomplishment, and take maximum advantage of commercial technology.

**Performance Measures**

- USDA adopts and uses a standard system life cycle methodology which will be measured by policies instituted, personnel trained, and major systems which conform to policy guidelines.

**■ Objective 1.6****Establish an assessment methodology for Departmental and agency IRM programs that will ensure sound management practices are being used to achieve measurable improvements.**

The Department has been challenged by Federal oversight agencies to provide increased assessment and evaluation of USDA's information systems and technology activities. To meet these demands, the Department has recently re-established its USDA IRM Review Program. This program will be the mechanism used to perform

policy assessment, compliance, and evaluation of IRM management practices and to implement IRM policies. The USDA IRM Review Program includes three major components: assessment, compliance, and evaluation. USDA must continually assess, review, and evaluate IRM and business practices to ensure they fully support the changing needs of their mission objectives. This OCIO objective supports USDA Management Initiative 3.

#### ***Time Frame for Completion***

Through FY 2002.

#### ***Strategies for Achieving the Objective***

- Develop an educational program for self-assessment against best management practices.
- Facilitate and assist organizations with self-assessments and the development of improvement strategies where deficiencies are discovered in their IRM programs.
- Develop and implement a review program to ensure agencies are in compliance with all applicable laws, regulations, policies, and standards.
- Assess management practices employed throughout the Department to ensure appropriateness to USDA objectives.

#### ***Performance Measure***

- Organizations perform self-assessments and USDA information systems improve.

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## **Goal 2**

**Develop Department-wide information and technical infrastructures that will improve service delivery through more effective information systems and data management.**

Information resources are a valuable corporate asset which can add to the productivity of the business when their maximum usefulness is promoted. The Department is currently involved in a series of initiatives that constitute a strategy to significantly improve its information exchange capabilities. When successfully implemented, these initiatives will improve program delivery through greater interoperability of the technical environment.

### **■ Objective 2.1**

**Develop and implement technical standards for USDA that will facilitate the adoption of specific information technologies necessary to support mission objectives and reengineered and streamlined business processes.**

Implementation of a technical architecture will set the standards for technology investment decisions in USDA. Establishing a standards-based Department-wide infrastructure will lead to greater consistency, interoperability, economy, and improved



communication. A USDA IT architecture will help align the appropriate uses of technology with the business needs of the Department. This effort is designed to establish standards on which technical migration strategies for existing systems can be based. The infrastructure that will emerge from adherence to these standards will provide the information technology capabilities necessary to support business objectives. This OCIO objective supports USDA Management Initiative 3.

***Time Frame for Completion***

Through FY 2002.

***Strategies for Achieving the Objective***

- Develop policy to implement IT architecture standards and implement configuration management controls to ensure architecture compliance across USDA.
- Develop and distribute guidance for agencies to reflect IT architecture migration strategies within their respective strategic plans.
- Identify IT architecture-conforming contracts from which agencies can procure compliant technology.
- Develop additional Departmental contracts for specific IT architecture components.
- Develop standards specifications for use in agency and Departmental contract development.
- Conduct IT architecture compliance assessments as part of ongoing IRM reviews.

***Performance Measures***

- Migration strategies are developed in key areas including Service Center implementation, Modernization of Administrative Processes, and financial systems. Migration strategies for all major legacy systems to conform to the USDA technical architecture are developed.
- Agency IT acquisitions are architecturally consistent.

**■ Objective 2.2****Design and implement a USDA Telecommunications Enterprise Network.**

USDA's Enterprise Network (EN) Initiative is designed to migrate the current USDA telecommunications environment from a "heterogeneous," agency-specific group of networks to a uniform network architecture that will support interoperability for inter-agency communications, permit data exchange among agencies and programs, allow efficient program delivery, consolidate telecommunications operations, and eliminate redundant services, facilities, resources, and operations.

The EN initiative is based on maximizing USDA's return on investment through a life cycle process of migrating individual agency legacy telecommunications systems and proprietary networks into a homogeneous network providing new or expanded services. Implementation of some network components has already been concluded. The telecommunications infrastructure must change to support business needs by providing seamless connectivity, facilitating interagency data sharing, and satisfying the needs of its customers. This OCIO objective supports USDA Management Initiative 3.

***Time Frame for Completion***

Through FY 2002.

***Strategies for Achieving the Objective***

- Avoid duplications, identify and consolidate, to the extent practical, individual agency telecommunications projects.
- Determine and compile agency telecommunications requirements and develop cost estimates for viable enterprise network alternatives.
- Develop enterprise network security policies.
- Develop and implement an enterprise network architecture. Develop strategies for integrating telecommunication systems within USDA to form the enterprise network.
- Implement a single management scheme for Internet Protocol (IP) addressing.

***Performance Measures***

- Telecommunications plans are reviewed for compliance with the Enterprise Network and recommendations are made for consolidations.
- A Department-wide Telecommunications Enterprise Network is operational.
- Agencies and key programs have provided OCIO with migration strategies.

## ■ Objective 2.3

**USDA will assess established and emerging technologies, including hardware, software, communications, artificial intelligence, and other aids to human decision making, for opportunities to improve its service delivery.**

In collaboration with the Chief Information Officer, USDA agencies will examine new technology to determine its applicability for improving the delivery of services to its customers. This effort will consider the context of singular use and the comparative power of combining one or more technologies. USDA will explore innovative technology and approaches for deploying such technology through the development of pilot projects, prototypes, and expanding identified successes. This OCIO objective supports USDA Management Initiative 3.

***Time Frame for Completion***

Through FY 2002.

***Strategies for Achieving the Objective***

- Develop an on going bench marking capability to identify new, innovative, and emerging technology for USDA.
- Survey USDA agencies to identify successful deployment of innovative and new technology.
- Create centers of excellence within the Department for the deployment of innovative technology.

***Performance Measures***

- OCIO has designated a focal point for all emerging technology activities including identification of uses of new technology in USDA.
- The Executive Information Technology Investment Review Board identifies and endorses centers of excellence in emerging technology for use by USDA agencies.

## ■ Objective 2.4

### **Develop and implement funding and acquisition strategies to implement information technology initiatives.**

The OCIO will develop a budgeting strategy for implementing Department-wide IT, in the context of a Capital Planning and Investment Control Program. Funding for technology initiatives must be made to accommodate the collective needs of the Department arising from baseline assessments of assets, legislative mandates, strategic objectives, and investment priorities.

A Departmental funding strategy for technology investment decisions which are made based on standardized criteria will be beneficial, both to the Department and to individual agencies. Agencies will be assured of budgets for critical program-supporting technology, while the Department can be assured of a technical infrastructure which conforms to its enterprise architecture. This OCIO objective supports USDA Management Initiative 3.

#### ***Time Frame for Completion***

Through FY 2002.

#### ***Strategies for Achieving the Objective***

- Establish a pool of agency funds for specific architecture initiatives not funded by appropriated budgets arising from agency requests. Criteria for technology assets to be acquired with these funds will be established by the Executive Information Technology Investment Review Board (EITIRB) in collaboration with the USDA IRM Council Board.
- The OCIO, in collaboration with the EITIRB, will develop and advance specific budget requests for selected projects arising from an analysis of USDA's business needs and objectives. Department-wide appropriations requests will be developed for technology infrastructure necessary to support business objectives, which ultimately will migrate the Department to a standards-based architecture.
- The Department will arrange for funding specific components of its information technology architecture. This approach will require component prioritization and will lead to a more standardized Departmental platform.

#### ***Performance Measures***

- A funding pool is established to implement IRM initiatives, and the EITIRB establishes criteria for initiative selection.
- The Department has acquired specific architecture components.

## ■ Objective 2.5

### **Implement a Department-wide data management program.**

A Department-wide data management program will identify and develop appropriate data standards, guidelines, and policies necessary to ensure improved data sharing within the Department. In recognition of the value of the Department's data resources, the program must provide for risk analysis and security measures for these resources. Through collaboration with the Department's Business/Data Architecture effort, the USDA Data Management Program will ensure data priorities are linked directly to business objectives. This OCIO objective supports USDA Management Initiative 3.

***Time Frame for Completion***

Through FY 2002.

***Strategies for Achieving the Objective***

- Establish and implement data standards to increase the opportunity for sharing data.
- Establish an organizational structure, including roles and responsibilities, necessary to support an effective USDA Data Management Program.
- Identify and install the tools and techniques necessary to manage the Department's data assets.
- Implement an information repository, complete with rigorous change management procedures, to organize the Business/Data Architecture documentation and support component re-use.

***Performance Measures***

- Data standards have been issued, Data Management Life Cycle Process documents have been published, and agencies expand the amount of data they share.
- OCIO and the Data Management Subcouncil establish periodic seminars and forums on Business/Data Architecture.
- OCIO has evaluated and selected data dictionaries and directories for Departmental use.

## ■ Objective 2.6

**Administrative Convergence.**

Effective delivery of USDA County-Based programs will be enhanced by making administrative improvements, using standardized administrative systems and better utilization of technology. A combined effort of the County-Based Agencies, the Chief Information Officer and the Assistant Secretary for Administration (ASA) will structure an administrative organization that consolidates administrative services and utilizes standardized systems and IRM-related activities. This OCIO objective supports USDA Management Initiative 3.

***Time Frame for Completion***

Through FY 2002.

***Strategies for Achieving the Objective***

- Temporarily assign to the ASA and CIO the full authority and responsibility for administrative management activities and all attendant resources related to the County-Based Agencies.
- Establish a convergence planning team chaired jointly by the CIO and the ASA.
- Develop an implementation report that includes consolidation of headquarters units, consolidates State-level units and addresses regional centers.

***Performance Measures***

- Completion of an administrative reorganization of the County-Based Agencies.
- An inventory of administrative systems requiring modification is established and a migration strategy is developed.
- Reduced costs for administrative support of county-based programs.

## ■ Objective 2.7

### **Develop and implement the USDA Year 2000 Project.**

Unless corrections are made, it is possible that many information technology systems will fail by the year 2000 because of invalid date computations. The Department must analyze and assess the extent of this problem and implement corrective measures to ensure that this failure does not occur. This OCIO objective supports USDA Management Initiative 3.

#### ***Time Frame for Completion***

Through FY 2002.

#### ***Strategies for Achieving the Objective***

- Establish a Year 2000 project team to guide the Department's efforts. Define and develop Year 2000 Project initiatives that will ensure total compliance with all requirements.
- Evaluate funding options for the Year 2000 initiatives.
- Raise the overall level of awareness throughout the Department.
- Develop an inventory of information technology systems that will require modification to meet Year 2000 compliance.
- Conduct an assessment of risk to the Department.
- Develop an implementation strategy, utilizing a phased approach, to include conversion methodology and procedures, priorities, and test plan.

#### ***Performance Measures***

- Awareness of the Year 2000 issue is pervasive throughout the Department.
- An inventory of information systems requiring modification is established.
- There is no disruption of service in the year 2000.

## ■ Objective 2.8

### **Use new and emerging technologies to enhance the management and dissemination of information and reduce the information collection burden on the public.**

USDA recognizes that it is information that is the basis on which the Department conducts business with its customers. Improving customers' access to information and reducing the collection burden will improve their ability to make informed decisions regarding USDA programs. New technological advances have recently emerged that hold great promise for improving the dissemination of information. This OCIO objective supports USDA Management Initiative 3.

#### ***Time Frame for Completion***

Through FY 2002.

#### ***Strategies for Achieving the Objective***

- Control the paperwork burden on the public by managing the Departmental Information Collection Budget Program.
- Develop an electronic communications environment, based upon technology that supports collaboration and allows individuals to share information as needed.

- Use portable computing technologies, video conferencing, and global positioning systems to enhance field support operations and information exchange.
- Infuse electronic commerce and electronic data interchange technologies into business processes where it will improve operational efficiency.

#### ***Performance Measures***

- USDA use of network technology expands. Information will be more accessible due to the employment of new technology.
- The information collection burden on the public is reduced as identified by reduced burden hours reported in the annual collection budget reports.

## **Management Initiatives .....**

### **■ Management Initiative 1**

**Implement a professional development strategy to ensure that USDA's program and IT staffs possess the skills necessary to meet the challenges of effectively delivering programs and services with information technology.**

In order for both the business and technical communities in USDA to fully support the business requirements of the Department, a concerted effort must be made to assess the skills of its technical and program staff, identify deficiencies, and take corrective action to train and inform employees responsible for providing technical support. A professional development program will be established to address both the needs of those who deliver and support technology within the Department, as well as those who use it. To increase the knowledge and understanding of program officials as it pertains to the utilization of information resources management practices, OCIO must create an information exchange process that pulls management and IT disciplines together. This OCIO objective supports USDA Management Initiative 1.

#### ***Time Frame for Completion***

Through FY 2002.

#### ***Strategies for Achieving the Management Initiative***

- Design and implement a skills assessment of USDA's information technology and business communities.
- Develop consistent and focused management and IT cross-training programs across USDA.
- Utilize the agency Investment Review Boards as an information exchange forum.

#### ***Performance Measures***

- OCIO has identified training requirements and opportunities and has identified lead agencies to carry out training programs.
- USDA personnel are better skilled as reflected in smaller turnover and quicker job completion.
- An increase in knowledge about information management issues as determined by program issues being better defined in IRM planning and budget documents.

## ■ Management Initiative 2

**Continually improve the quality and effectiveness of the OCIO workforce and ensure the civil rights of all.**

The OCIO will train and recruit personnel to meet its mission and continually improve its work force by selecting and retaining top-quality individuals, and improving employees' skills. This OCIO objective supports USDA Management Initiative 2.

### *Time Frame for Completion*

Ongoing.

### *Strategies for Achieving the Management Initiative*

- Continue to recruit potential employees from all sectors and hire the most qualified.
- Ensure that all decisions related to personnel actions are in concert with the Department's civil rights compliance and enforcement functions, and that all individuals are treated with the respect that they deserve.
- Ensure that senior executives and supervisory managers are aware of Equal Employment Opportunity and Civil Rights responsibilities.

### *Performance Measures*

- All vacancies are filled promptly with the most qualified candidate.
- Any and all complaints are handled justly and promptly.

## Linkage of Goals to Annual Performance Plan .....

The OCIO annual performance plan was developed directly from the OCIO strategic plan. Specific activities, tasks, and their outcomes contained in these annual performance plans will support the objectives that have been identified for each goal. A large number of the objectives identified in the plan require collaboration among agencies. The OCIO annual performance plans will identify Department-wide supporting activities and tasks for capital planning, information architecture, project management, data management and IRM technical standards.

Goal 1 is linked to the following budget program activities: Chief Information Officer, Information Technology Capital Planning, and Investment Control. Goal 2 is linked to Department -wide information and technical infrastructure, Year 2000 compliance, and USDA Enterprise Network.

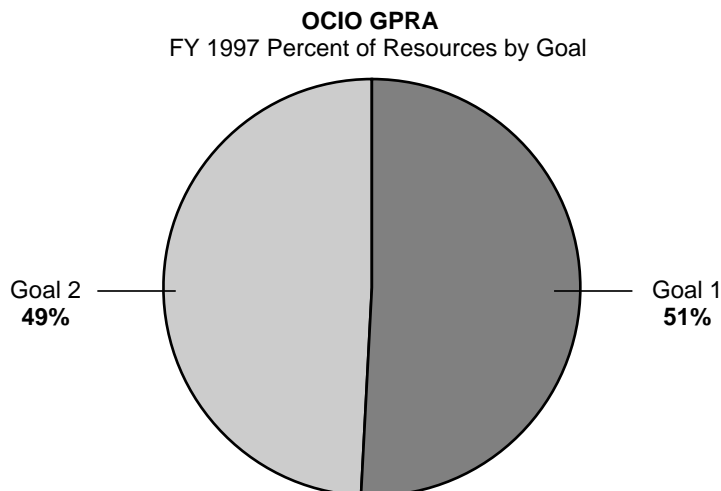
## Resources Needed .....

The cost associated with the implementation of this plan are USDA, contractor labor, and IT equipment and services. The costs include the opportunity costs where it is anticipated that employees will be rededicated to implement the plan. Opportunity costs are not included for those employees who will make contributions to the plan in their normal course of business.

The chart represents the allocation by percent of fiscal year 1997 OCIO appropriated dollars among Goals 1 and 2.



## GPRA Resources for Goals 1 and 2 by Percent



*The chart represents the allocation by percent of fiscal year 1997 OCIO appropriated dollars among Goals 1 and 2*

## Program Evaluation .....

The OCIO has completed various program reviews and evaluations, in conjunction with the internal and external oversight offices, designed to optimize the business approach utilized to meet the OCIO mission. The results of these reviews have lead to program modifications and are reflected in the goals of this strategic plan.

OCIO's evaluation process will consist of reviews of measured performance based on feedback from clients, customers, and USDA IRM management groups. OCIO will participate in IRM Council and EITIRB meetings to assess progress on IRM matters. OCIO will solicit feedback from the IT and management community both internal and external to USDA. OCIO is subject to review of the USDA IRM program by the Office of Inspector General and the General Accounting Office. The OCIO is currently undergoing an entire program evaluation, conducted by the Modernization of Administrative Processes team. The results and recommendations recieved from the program evaluations will be used to determine and help develop USDA IRM policies.

## Role of External Entities .....

This plan was developed by OCIO with USDA agency participation. Initial sessions were held with representatives from the Department IRM and program community.



# Office of the General Counsel (OGC) Strategic Plan

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## Introduction .....

### **Overview of the scope and dimension of OGC's operations and activities**

The United States Department of Agriculture is a large, complex organization, with a diversity of program activities duplicated in few other agencies of the Federal Government. The wide diversity of programs generates a wide diversity of demands for legal services. OGC provides legal advice concerning every major aspect of program decision making. That advice may be delivered orally or in writing, or by clearance of a rulemaking document, item of correspondence, legal instrument or agreement. The advice may be delivered to a program specialist, State director, regional forester, agency administrator, Assistant or Under Secretary, the Deputy Secretary, or the Secretary. OGC drafts legislation for officials of USDA as well as Members of Congress. OGC conducts and assists the Department of Justice in litigation filed against or on behalf of USDA officials.

All USDA legal services are centralized within OGC and the General Counsel reports directly to the Secretary. The organization of the Washington office of OGC mirrors that of the Department. Attorneys are generally grouped in relation to the agency or agencies served except for those working under the supervision of the Associate General Counsel for Legislation, Litigation and General Law, who provide legal advice to all agencies of the Department. The 18 field offices of OGC typically provide legal services to USDA officials in regional, State, or local offices. The bulk of field legal services concerns the Forest Service; Farm Service Agency lending activities; agencies reporting to the Under Secretary for Rural Development; and the Food Stamp Program. This organizational structure of OGC provides a healthy balance of much needed specialization with field-level generalization that enables legal services to be grounded in an understanding of program requirements and the practical aspects of implementing programs in the field.

The foundation of OGC's strategic plan must be to insure that the limited resources of OGC are devoted to providing responsive and reliable legal advice in a manner which recognizes the priorities of the Secretary.

### **Summary of situations, conditions or needs which OGC responds to or focuses on**

In order to ensure that USDA program activities are conducted in a manner which comports with legal requirements, OGC conducts legal review of a wide variety of agency documents. For example, each year OGC conducts a legal review of roughly 2,250 regulations developed to implement USDA programs. OGC also provides legal review of roughly 45,000 documents by which agency program decisions are made. OGC drafts legislation for USDA officials as well as Members of Congress. OGC also reviews legislation pending before the Congress and enacted legislation.

OGC assists the Department of Justice in defending the Department in litigation filed against or on behalf of the Federal Government in Federal court. Cases filed against USDA include, for example, actions against the Forest Service challenging decisions related to management of the National Forests and cases involving lending programs of the Farm Service Agency.

In addition to litigation conducted in the Federal or State courts, OGC represents the Department before administrative tribunals such as USDA's Administrative Law Judges and Judicial Officer, the Equal Employment Opportunity Commission, the Merit Systems Protection Board, and the Board of Contract Appeals. In fiscal year 1995, OGC provided some form of services with respect to nearly 20,000 cases, including both those in Federal court and in administrative forums.

There are a number of programs and recent initiatives which continue to generate a high volume of requests for legal services.

- Congressional implementation of the 1996 Farm Bill legislation imposed an immediate need for extensive legal services. The Secretary made implementation of the Farm Bill his highest priority. Statutory changes made by this new legislation effect all mission areas of the Department.
- The ongoing polarized debate concerning the proper mix of uses made of the National Forests generates litigation, administrative appeals, and informal challenges to policy decisions at all levels of the Department. We see no indication that the demand for legal services in this area will diminish in the foreseeable future.
- Regulatory reform is a priority of the President and the United States Congress. We anticipate a continuing demand for legal services to support agency efforts to reduce regulatory burdens and streamline regulatory programs. At the same time, the Department is engaged in a fundamental restructuring of the meat and poultry inspection programs. Implementation of the HACCP (Hazard Analysis and Critical Control Points) proposal will continue to require considerable legal support.
- Welfare reform legislation has been enacted. This legislation imposes a number of new conditions for participation in the Food Stamp Program and has generated a considerable amount of legal work in the form of requests for legal advice and clearance of implementing regulations.
- The Secretary has identified trade issues related to expanding U.S. agricultural exports within the global economy as one of his major priorities. We anticipate a continuing demand for legal advice concerning trade issues, both as to implementation of current trade agreements and the establishment of new trade agreements, and agreements related to phytosanitary requirements that effect trade in agricultural commodities.
- Management of the Department's extensive loan portfolio continues to generate a high demand for legal services. Those legal services take the form of review of loan documents, participation in litigation to protect the Government's interests, including foreclosure proceedings, and development of program regulations related to these lending programs.
- Addressing the many recommendations of the Civil Rights Action Team Report and provision of advice to USDA officials as they strive to strengthen the Civil Rights programs of the Department will require a considerable amount of legal resources.

### **Baseline information from which OGC developed its goals and approaches**

In order to develop a strategic plan, interviews were conducted with many of the Under and Assistant Secretaries, as well as other agency officials, to determine what aspects of OGC performance were of most importance. Throughout these talks, one aspect of OGC's performance identified as important was responsiveness. At each level of the Department, each agency official expressed a desire for responsive, correct OGC advice so that business can proceed with assurance that no legal issues have been overlooked.

While many agency officials have a general idea of the services OGC provides, few officials have a full understanding of the range of legal services OGC is providing to support their mission area. During the interviews, it became clear that agency officials

need better information concerning the full range of major legal projects with which OGC is involved. Only with that information can agency officials fully appreciate the consequences of focusing OGC resources on a particular project, thus reducing resources devoted to other projects. Further, the General Counsel must be free to make final decisions with respect to deployment of legal resources within the Office of the General Counsel in order to protect the integrity of USDA programs as well as the Federal Treasury.

Based on information gleaned during the baseline interviews, we have concluded that OGC needs to work more closely with agency officials to determine priorities for legal services. By doing so, OGC should be able to improve the responsiveness of the office by focusing attention on those matters identified as having a high priority. While planning activities currently take place, those efforts focus more on requests that some particular task be given attention. Strategic planning efforts will bring agency officials and OGC managers together in establishing shared priorities.

In addition to providing legal review in a responsive manner, OGC must maintain high standards of excellence in order to be effective. Quick, inaccurate legal advice may be worse than no advice at all. Therefore, our goals include providing not only responsive but also effective legal services.

In order to measure performance, the General Counsel will conduct an annual review of OGC's performance. That review will include surveys of agency officials concerning OGC's performance, as well as an internal review of the effectiveness of the legal services provided. That internal review will focus, in part, on the litigation concerning USDA programs as well other measures of effectiveness.

## Key External Factors .....

The more careful prioritizing of legal services envisioned under this strategic plan will improve our ability effectively to ration legal services. However, it is axiomatic that OGC's ability to provide high-quality legal advice for each request for legal services will be affected by staffing levels. Similarly, our ability to improve the overall efficiency of the office through acquisition of computers, communications equipment, and training for our staff is related to the budget resources we receive each year.

Another factor which will affect our ability to accomplish our goals is the number of unforeseen demands for significant legal services such as the passage of major new legislation, the appearance of a significant number of new cases or development of new major policy initiatives. Regardless of our best efforts to plan and manage level resources, during each fiscal year increased demands for legal services can arise. These demands often arise with little advance warning but require OGC to provide immediate advice and/or litigation services.

## Mission .....

OGC's mission is to provide all legal services necessary to support the programs and activities of USDA.

## Goals .....

### Goal 1

**OGC will provide effective legal services in a responsive manner to support USDA activities, consistent with the priorities established by the Secretary of Agriculture.**

### ■ Objective 1.1

**OGC will review for legal sufficiency, draft regulations submitted by USDA agencies, and advise the appropriate USDA officials of the results of the review.**

#### *Time Frame for Completion*

Ongoing.

#### *Strategies for Achieving the Objective*

- OGC will review submitted regulations and advise agency officials as to whether the draft regulations meet applicable statutory and Constitutional requirements.
- OGC will work with appropriate agency officials to resolve issues identified during legal review of regulations.

#### *Performance Measures*

- Surveys and internal reviews indicate that OGC's legal review of draft regulations is conducted in an effective, responsive manner, especially with respect to items identified as having a high priority.

### ■ Objective 1.2

**OGC will draft and provide legal review of documents as requested by USDA and executive branch officials.**

#### *Time Frame for Completion*

Ongoing.

#### *Strategies for Achieving the Objective*

- OGC will review documents submitted for review and work with agency officials to redraft documents to comport with all applicable legal requirements.
- Upon request, OGC will draft documents necessary for the conduct of USDA business.

#### *Performance Measures*

- Surveys and internal reviews indicate that documents are reviewed or drafted in an effective and responsive manner, especially with respect to matters identified as having a high priority.

### ■ Objective 1.3

**OGC will conduct litigation on behalf of USDA officials and will provide litigation support services to the Department of Justice in cases arising out of USDA programs and activities.**

#### *Time Frame for Completion*

Ongoing.

#### *Strategies for Achieving the Objective*

- OGC will institute legal actions on behalf of USDA officials in the appropriate administrative tribunals.

- Where appropriate, OGC will request that the Department of Justice institute suit on behalf of USDA.
- OGC will provide litigation support to the Department of Justice concerning all legal actions filed against or on behalf of USDA officials.
- OGC will provide information concerning ongoing litigation to the appropriate USDA officials.
- As resources permit, OGC will provide representation for USDA officials before administrative tribunals.

***Performance Measures***

- Surveys and internal reviews indicate that litigation and litigation support services are provided in a responsive, effective manner, especially with respect to matters identified as having a high priority.

**■ Objective 1.4**

**OGC will draft legislation and review for legal sufficiency legislative reports and testimony as requested by USDA officials.**

***Time Frame for Completion***

Ongoing.

***Strategies for Achieving the Objective***

- OGC will review and draft legislation pertaining to USDA programs and activities.
- OGC will review legislative reports and draft testimony to be given by USDA officials.

***Performance Measures***

- Surveys and internal reviews indicate that legal services related to legislation are provided in an effective and responsive manner, especially with respect to matters identified as having a high priority.

**■ Objective 1.5**

**OGC will provide counseling to USDA officials concerning issues arising out of USDA programs and activities.**

***Time Frame for Completion***

Ongoing.

***Performance Measures***

- Surveys and internal reviews indicate that legal services are provided in an effective and responsive manner, especially with respect to matters identified as having a high priority.

**■ Objective 1.6**

**OGC will create a Civil Rights unit within OGC which will provide legal services to support the Department's Civil Rights Program.**

***Time Frame for Completion***

Ongoing.

***Strategies for Achieving the Objective***

- Establish Civil Rights unit within OGC.
- Advertise position and intent to select Associate General Counsel for Civil Rights.
- Select Associate General Counsel for Civil Rights.
- Define responsibilities of Civil Rights unit.

***Performance Measures***

- Surveys and internal reviews indicate that legal services are provided in an effective and responsive manner, especially with respect to matters identified as having a high priority.
- Associate General Counsel for Civil Rights appointed, staff selected for Civil Rights Division and responsibilities defined.

## Management Initiatives .....

### ■ Management Initiative 1

The Office of the General Counsel will develop a more productive, diverse workforce.

***Strategy 1***

We will improve internal and external communications and information management within OGC.

***Time Frame for Completion***

Ongoing.

***Performance Measures***

- Study the feasibility of providing Internet access to all personnel of OGC who express a desire to utilize such services, and if possible, provide Internet access to all OGC employees.
- Continue with implementation of the Paradox software-based work tracking system.
- Consider the feasibility of linking existing local area networks (LANs) into one wide area network (WAN).

***Strategy 2***

We will promote workforce diversity.

***Time Frame for Completion***

Ongoing.

***Performance Measures***

- Conduct an outreach program to ensure that public announcements by OGC concerning employment opportunities are circulated to minority law student associations and other minority professional legal organizations.
- All OGC managers receive training concerning management of a diverse workforce.



## Linkage of Goals to Annual Performance Plan .....

The Office of the General Counsel will develop an Annual Performance Plan using the same performance measures which underlie this Strategic Plan. Our performance measures focus on whether OGC has provided effective, responsive legal services. We will measure performance using customer satisfaction surveys of USDA officials and internal reviews. USDA officials will indicate whether OGC services were effective and responsive, taking into account established priorities. The internal reviews will determine whether OGC services were effective, based on factors such as absence of litigation, litigation outcomes and whether OGC review contributed to effective program delivery. OGC's goal is linked to the budget program activity of Legal Services.

## Resources Needed .....

It is anticipated that the total resource levels provided for the Office of the General Counsel are adequate to meet the foremost legal service needs of the Department. Should funding be provided at a level that is less than requested, OGC would be forced to take actions to live within the appropriations provided. Such actions would include reductions in staff and office closings, which would affect OGC's ability to provide the Department with adequate legal service. After our first year of implementation, we will review the appropriateness of the goals and measures set forth in the plan.

## Program Evaluation .....

In order to develop our strategic plan, we considered a number of sources for baseline information. Because we have not, before now, conducted regular surveys of agency officials or conducted the type of reviews contemplated by this plan, we do not yet have data necessary to establish a baseline. In developing this plan, we did use a number of sources of information which are described in the introduction to the plan. In order to measure performance, we will use the information garnered from the periodic consultations with USDA officials to assign priorities to work handled by OGC.

The General Counsel will use an annual assessment to determine how successful OGC was in providing effective, responsive legal services to USDA officials concerning the projects identified as most significant. This assessment will include surveys of USDA officials to seek their views concerning the responsiveness and effectiveness of OGC legal review. The assessment will also include internal reviews to determine the effectiveness of OGC legal services. Factors will include but not be limited to incidence and outcomes of litigation and how legal services promoted effective program delivery.

## Role of External Entities .....

No external entities contributed to the development of this strategic plan.



# Office of the Inspector General (OIG) Strategic Plan

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## Introduction .....

**T**he U.S. Department of Agriculture, Office of Inspector General (OIG), has developed the following strategic plan covering fiscal years (FY) 1997 through FY 2002. The overall goal of the strategic plan is to serve as the basis for directing OIG resources to assist USDA managers in improving the Department's operations through the performance of audits and investigations.

USDA, OIG operates under authority established with the enactment of the Inspector General Act of 1978 (Public Law 95-452) and the 1988 amendment (Public Law 100-504). The Act states that the OIG was established:

- to conduct and supervise audits and investigations relating to the programs and operations of their respective departments and agencies;
- to provide leadership and coordination and recommend policies for activities designed to promote economy, efficiency, and effectiveness in the administration of the agencies' programs and operations, and to detect fraud and abuse in such programs and operations; and
- to provide a means for keeping the head of the department or agency and the Congress fully and currently informed about problems and deficiencies relating to the administration of such programs and operations and the necessity for and progress of corrective action.

USDA, OIG is headquartered in Washington, D.C. and has eight geographically dispersed regional offices. For FY 1997, OIG's personnel ceiling was 754 and the funding level was \$63 million.

OIG's audit and investigative universe comprises all programs, functions, and organizations of the Department. Currently, this consists of 30 agencies which administer more than 300 programs involving thousands of participants, contractors, and grantees. The value of benefits provided to the public by USDA in FY 1996 was \$78 billion. These benefits may be in the form of financial assistance through grants, guaranteed or direct loans (USDA's outstanding portfolio exceeds \$100 billion), cost-sharing, professional services such as research or technical assistance, or in-kind benefits such as commodities.

In FY 1996, OIG issued 282 audit reports and 956 investigative reports. We reached management decision on 245 audit reports which depicted findings with questioned and unsupported costs and loans that totaled \$1.6 billion, recommendations for recovery of funds totaling \$11.4 million, and \$264.7 million in funds that could be put to better use. Our investigations casework resulted in 941 indictments, 738 convictions, 106 law suits filed, and total monetary results of \$71.5 million.

We employ strategic planning to improve the efficiency of our efforts to support the fulfillment of the USDA mission. This approach enables us to prioritize potential audit and investigative areas to focus our resources on those programs where we can have the greatest impact. We concentrate on those programs that are most vulnerable to fraud, waste, and abuse and on those where the largest dollar losses are most likely to occur. We also embark on new initiatives like the growing public concerns about health and safety issues. In each strategic area, we establish goals and plans for both short- and long-term emphasis. We work closely with agency management to identify those areas where they believe we can best serve their needs. We publish an annual plan that describes the current audit and investigative environment, the most significant undertakings for the year, and a listing of all planned jobs.

The basis for the development of this strategic plan is the profile of each agency within USDA that we have developed and maintained. The profiles contain background information that includes the mission of each agency, program, or functional

area; the legislative history; and the organizational structure and staffing of the agency. The profiles also contain information on the agency's funding history, detail how its budget is allocated, and discuss the major initiatives included in its latest budget submission. The profiles contain detailed information on the accounting, financial management, and information management systems of the entity. In addition, the profiles include a description of the control mechanisms in place to ensure that the systems operate as intended, OIG's analysis of the inherent risk associated with the systems, and a history of recent audits performed on the system.

Although OIG functions as an independent and objective unit, it has and will continue to coordinate and form partnerships with other entities inside and outside the Department of Agriculture. This process assists OIG to identify the best way to address issues of concern to the Department and OIG's customers and stakeholders. For example, we work closely with the Department's Office of the Chief Financial Officer on management control and financial issues, and State auditors in the reviews of State-administered Federal programs. This coordination also permits OIG to partner with other OIG's, agencies, and the Congress to avoid duplication of effort and to gain greater impact in addressing issues by combining the products of the work of other entities with our own.

## Key External Factors .....

There are several key external and uncontrollable factors that could affect the achievement of OIG's goals and objectives. Among these are the following:

**Resource Impacts.** OIG operations cannot be optimized at the present funding levels. For example, numerous highly vulnerable areas that directly impact upon the health, safety, and well-being of the Nation's citizens go unchecked because OIG does not have sufficient staff and other resources to preclude or detect them. In addition, the program integrity of the Department is imperiled because OIG is unable to audit and investigate all suspected fraudulent activity.

Access to training and equipment may be restricted due to lack of sufficient funding. Changes in technological developments that we are not able to keep in pace with could significantly hamper our efficiency.

**Implementation of OIG Recommendations.** OIG makes recommendations which are not binding on USDA agencies or Congress. If these entities opt not to take the recommended action, the extent of the achievement of our stated goal to improve the Department's operations would be lessened.

**Timeliness of Agency Actions.** OIG is required to have financial statement audits completed so the Department can transmit the reports to the Office of Management and Budget by March 1 of each year. OIG cannot fulfill this requirement if the agencies do not provide the statements for audit in a timely manner.

OIG

## Mission .....

OIG's mission is to conduct and supervise audits and investigations to prevent or detect fraud and to improve the effectiveness of USDA programs by recommending changes that will increase efficiency and reduce wasteful and fraudulent activities.

## Goals .....

### Goal 1

**Promote economy, efficiency, and effectiveness in the administration of USDA programs and operations.**

This goal supports all of USDA's Goals and Management Initiative 3, "Create a unified system of information technology management".

### ■ Objective 1.1

**Identify the most significant programs or areas for audit and investigation and allocate resources accordingly.**

#### ***Time Frame for Completion***

These tasks will be completed annually and reassessed as needed. The initial reassessment will be conducted no later than FY 2001.

#### ***Strategies for Achieving the Objective***

- Maintain ongoing liaison with agency officials, key congressional committees, U.S. attorneys, and central guidance agencies to ensure cognizance of burgeoning areas.
- Develop the OIG profiles to include assessments of legislative histories; regulatory promulgations; areas of vulnerability to fraud, waste, and abuse; adequacy of agencies' systems; and prior audit and investigative history.
- Prioritize issues through the OIG strategies to identify and establish where resources are needed and to serve as the primary basis for annual planning.
- Convene with OIG managers semiannually to create and amend the OIG Annual Audit and Investigative Plan; in addition, reassess the need for further modifications to the Plan on an ongoing basis.

#### ***Performance Measure***

- Annually assess the planning process to gauge the achievement of the goal by retroactively comparing what was done with what should have been done.

#### ***Performance Target***

- Identify the most significant issues warranting audit and investigation and allocate resources accordingly.

### ■ Objective 1.2

**Devote audit and investigative resources in the areas identified.**

#### ***Time Frame for Completion***

These tasks will be completed annually and reassessed as needed. The initial reassessment will be conducted no later than FY 2002.

#### ***Strategies for Achieving the Objective***

- Schedule audits and investigations, and assign experienced and competent staff to carry out the Plan.
- Monitor the execution of the Plan to ensure the timeliness of work performed, and the economy and efficiency of the use of resources.

#### ***Performance Measure***

- Percentage of the number of audits and investigations in the Annual Plan for which work was initiated.

**Performance Target**

- Initiate 80 percent of the audits and investigations in the Annual Plan.

**Outcome Measure for Goal 1**

- Monetary results of audits and investigations expressed in terms of questioned/unsupported costs and loans, funds to be put to better use, recoveries and/or cost avoidances.

.....

**Goal 2**

**Promote USDA's conformity with applicable principles, standards, and related requirements by fostering improvements in financial systems and financial reporting which will enhance the Department's fulfillment of its fiduciary responsibilities.**

This goal supports USDA's Goal 1.3, "Provide access to capital and credit to enhance the ability of rural communities to develop, grow, and invest in projects to expand economic opportunities and improve the quality of life for farm and rural residents". It also supports Management Initiative 4, "Improve financial management and reporting".

**■ Objective 2.1**

**Identify system, control, or compliance weaknesses which preclude the safeguarding and accountability over funds, property, and other assets.**

**Time Frame for Completion**

These tasks will be completed annually and reassessed as needed. The initial reassessment will be conducted no later than FY 2002.

**Strategies for Achieving the Objective**

- Conduct financial statement audits as required by the CFO Act.
- Provide consultations to agency financial managers to develop solutions to accounting and financial problems.

**Performance Measure**

- Percentage of financial statement audits issued by March 1.

**Performance Targets**

- Complete all financial statement audits by March 1 of each year.

**Outcome Measures for Goal 2**

- Monetary results of financial statement adjustments.
- Numbers of recommendations to strengthen financial controls and foster compliance with laws and regulations.



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## Goal 3

**Promote program integrity by detecting fraud, waste, and abuse in the Department to provide assurance that legal and regulatory requirements are met.**

This supports USDA's Goals 2.1, "Reduce hunger by assuring low-income households access to adequate supplies of nutritious food"; 2.2, "Reduce the incidence of food borne illness and ensure that commercial supplies are safe and wholesome"; and 2.5, "Enhance world food security and assist in the reduction of world hunger". It also supports USDA Management Initiatives 1, "Ensure that all customers and employees are treated fairly and equitably, with dignity and respect"; 2, "Improve customer service by streamlining and restructuring county offices", and 4, "Improve financial management and reporting".

### ■ Objective 3.1

**Identify potential criminal violations impacting the Department.**

#### ***Time Frame for Completion***

These tasks will be completed annually and reassessed as needed. The initial reassessment will be conducted no later than FY 2002.

#### ***Strategies for Achieving the Objective***

- Evaluate historical investigative data and conduct trend analysis.
- Evaluate USDA agency investigative referrals.
- Evaluate intelligence derived from other law enforcement sources, informants, and complainants.

#### ***Performance Measure***

- Number of fraud reports of investigation issued.

#### ***Performance Target***

- Forty-Six (46) percent of total fraud investigations reported will result in criminal prosecutions.

### ■ Objective 3.2

**Identify potential misuse of USDA funds.**

#### ***Time Frame for Completion***

These tasks will be completed annually and reassessed as needed. The initial reassessment will be conducted no later than FY 2002.

#### ***Strategies for Achieving the Objective***

- Evaluate the potential for capturing monetary results in each investigation.

#### ***Performance Measure***

- Number of fraud investigations resulting in monetary results.

**Performance Target**

- Sixty (60) percent of total reported fraud investigations will result in fines, penalties, recoveries, restitutions, cost avoidances, or other payments.

**■ Objective 3.3****Identify instances of serious USDA employee misconduct.****Time Frame for Completion**

These tasks will be completed annually and reassessed as needed. The initial reassessment will be conducted no later than FY 2002.

**Strategies for Achieving the Objective**

- Evaluate USDA agency referrals and hotline complaints.

**Performance Measure**

- Number of employee misconduct reports of investigation issued.

**Performance Target**

- Fifty (50) percent of total reported employee misconduct investigations will result in corrective or disciplinary action.

**Outcome Measures for Goal 3**

- Percentage of total reported fraud investigations resulting in criminal prosecutions.
- Percentage of total reported fraud investigations resulting in fines, penalties, recoveries, restitutions, cost avoidances, or other payments.
- Percentage of total reported employee misconduct investigations resulting in corrective or disciplinary actions.

## Linkage of Goals to Annual Performance Plan .....

The goals and performance measures presented in this strategic plan will also be used in the Annual Performance Plan. The performance plan goals will set a target level of incrementally increased performance each year. We will measure and report on our success in achieving each annual performance target. The performance measurement process will produce an annual indicator which we will use to chart our progress toward achieving each goal. The goals are designed to improve our ability to provide an outcome which will benefit the Department.

As to Goal 1, we will provide recommendations for improvements that, when implemented, will increase the efficiency and economical operation of the Department. We will report annually on the savings, reductions in cost, recoveries, and funds to be put to better use that we have recommended.

As to Goal 2, we will promote the adequacy of USDA's financial systems and reporting through audit and consultative services. Each year in the performance plan, we will measure and report on our efforts in assisting the Department in generating financial statements which warrant unqualified audit opinions.

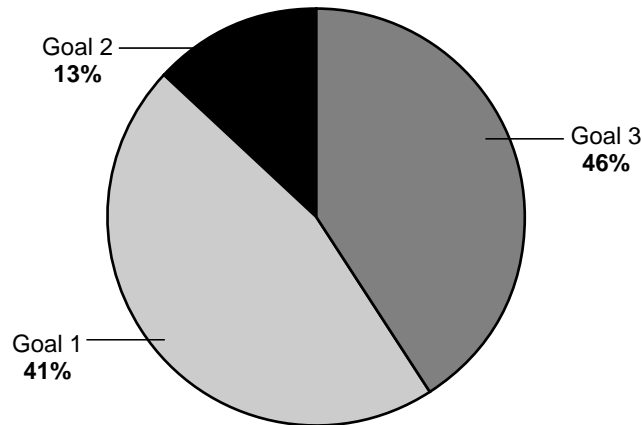
As to Goal 3, we will promote legal and regulatory adherence and foster program integrity. Each year in the performance plan, we will provide focused performance goals that set targets for the levels of cases that we will act upon, and will report on the results of these actions.

## Resources Needed .....

In order to address the innumerable demands for audits and investigations to preclude or detect situations which could impair the health, safety, or welfare of the Nation's citizenry or the fiscal integrity of the Department's financial activities, OIG anticipates it will need additional staff over the next 5 years to better fulfill its mission.

Our goals are prioritized in accordance with the resources allocated to each. Our allocation of these resources is 46 percent applied to Goal 3; 41 percent applied to Goal 1; and 13 percent applied to Goal 2.

### FY 1997 Distribution of OIG Resources by Goal



## Program Evaluation .....

In the development of this plan, we conducted several evaluations such as canvassing stakeholder groups like agency management. We analyzed the issues surfaced and crafted our goals and objectives to address them. The results and impacts of the programs and policies undertaken as goals and objectives in this strategic plan, and as performance goals in the USDA, OIG Annual Performance Plan, will be evaluated. Evaluation data will be gathered from our automated tracking system; from customer satisfaction surveys conducted as needed; and from the accumulated experience of OIG senior management in implementing the steps developed to achieve the goals and objectives of the prior year's plan.

The information obtained from each year's performance measurements will be analyzed and used to determine whether OIG has achieved its annual performance goals, and is progressing toward achieving its general goals and objectives. We will review the results of our performance and make decisions as to whether any changes in external and/or internal factors may warrant a modification in one or more of our goals and objectives. We will also examine the effectiveness of the performance measures to determine whether they continue to be appropriate, or should be modified/refocused for the next fiscal year. In this manner, we will strive to consistently improve our information gathering techniques and obtain the data that supports the best possible measures of the critical elements of our operations. Program evaluations will be conducted annually.

We will also continue to canvass our stakeholders through annual focus group meetings. In addition, we will annually assess the results of the customer surveys generated at the completion of all audits to strengthen our policies and procedures.

## Role of External Entities .....

This strategic plan was prepared by OIG personnel without the assistance of external entities.

